REPORT

OF THE

PROCEEDINGS OF THE

MADRAS CHAMBER OF COMMERCE.

JANUARY TO DECEMBER

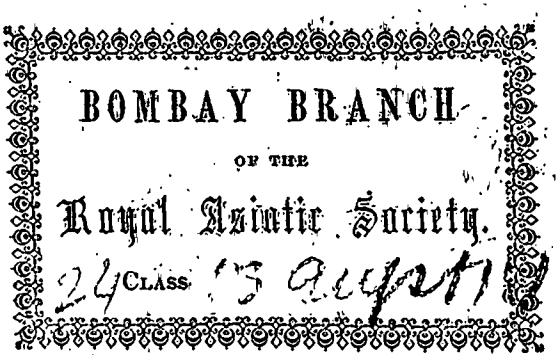
1878

00134074

MADRAS:

PRINTED AT THE "MAIL" PRESS, BY J. [illegible] CRAEN.

1879.



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THE MADRAS CHAMBER OF COMMERCE.

Established 29th September 1836.

Members—December 1878.

Sir W. W. ARBUTHNOT, *Bart.*
Mr. G. G. ARBUTHNOT, (*Europe*)
Mr. J. W. ARBUTHNOT,
Mr. C. A. AINSLIE,
Mr. J. H. ASPINWALL, (*Cochin*)
Mr. F. T. ATKINS, (*Europe*)
Mr. A. V. D. BEST,
Mr. J. A. BOYSON,
Mr. A. F. BROWN, (*Europe*)
Mr. H. BILL, (*Europe*)
Mr. T. BLAIKIE, (*Europe*)
Mr. J. R. BOYD, (*Europe*)
Mr. G. CORNET,
Mr. H. DE CLOSETS,
Mr. J. FORTUNE,
Mr. T. E. FRANCK,
Mr. W. GORDON,
Mr. A. DE GUIGNE,
Mr. S. D. GRANT, (*Europe*)
Mr. GEO. JACKSON, (*Europe*)
Mr. P. MACFADYEN, (*Europe*)
The Hon. A. MACKENZIE,
Mr. A. R. MAUDE, (*Europe*)
Mr. W. L. MILLAR,
Mr. W. W. MUNSIE,
Mr. W. SCOTT, (*Europe*)
Mr. C. SIMPSON, (*Europe*)
Mr. J. C. SHAW,
Mr. J. STIVEN,
Mr. L. STRANGE,
Mr. T. A. TAYLOR,
Mr. S. R. TURNBULL,
Mr. W. WALKER,
Mr. R. C. WALKER.

Retiring Committee 1878.

The Hon. A. MACKENZIE, *Chairman.*
Mr. C. A. AINSLIE, *Vice do.*
Mr. A. V. D. BEST,
Mr. S. R. TURNBULL,
Mr. W. GORDON, } *Committee.*
Mr. J. C. SHAW,
Mr. L. STRANGE,

Committee for 1879.

The Hon. A. MACKENZIE, *Chairman.*
Mr. R. C. WALKER, *Vice do.*
Mr. A. V. D. BEST,
Mr. J. A. BOYSON,
Mr. J. C. SHAW, } *Committee.*
Mr. L. STRANGE,
Mr. W. GORDON,

Messrs. BINNY & Co., *Treasurers.*

Mr. C. A. LAWSON, *Secretary,* (*Europe.*)

Mr. H. CORNISH, *Acting Secretary.*

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REPORT.

THE MADRAS MUNICIPAL ACT.

THE Madras Municipal Act No. V of 1878, received the assent of the Viceroy on the 6th July 1878. The Chamber had occasion to complain of the haste with which the Act was submitted for the sanction of the Viceroy, as it was not till the 28th June that they had an opportunity of reporting on the Act as it had been passed by the Madras Legislative Council, and pointing out the objections they entertain to some of its provisions. The feature in the Act to which the Chamber drew particular attention was the manner in which the Government have assumed the control of everything connected with the working of the Municipality, while at the same time placing themselves above all Municipal responsibilities, pecuniary or otherwise. The chief functions of Government as prescribed in the Act were summarised as follows :—

The Governor in Council will appoint President and Vice-Presidents, and can remove each at his discretion. He is to fix the salary of such President and Vice-Presidents, and to grant them leave of absence on such salaries as His Excellency thinks fit. He is to make rules for retiring pensions or gratuities, for all Municipal officers or servants ; and the Commissioners are bound to pay out of Municipal funds such pensions or gratuities as may be provided by rules, which they have had no hand in passing. The Municipal Budgets are (Section 88) to be submitted to the Governor in Council—who may pass, or reject, or modify, all or any of the items entered in such Budget ; and his order is final. The Governor in Council may (Section 64) supervise the Commissioners' work, and (Sec. 65) appoint any other person he pleases, on such scale of remuneration as he thinks fit, to be defrayed out of the Municipal fund, to carry out what he considers necessary. He is to appoint the Auditors of the Municipal Accounts and has control over their remuneration. He may exempt any part of the Town from payment of water, or lighting tax. He may authorize the Commissioners to borrow money for the general purposes of the Act. His Excellency's sanction is necessary for the grant, or refusal, of

licenses for burial or burning grounds; he may even (Section 381) direct a census to be taken whenever he thinks fit. His sanction is necessary (Section 396) for the fees to be levied by the Commissioners under various Sections. In fact, the entire framework of the Act amounts to this :—that there is a Municipality in name, which is nothing more than a Government Department, subject to Government control in every point which entails responsibility; the majority of the Commissioners nominated by Government; and the chief executive officials so entirely (including appointment, leave of absence, and pensions) under the authority of Government, that instead of being, as they ought to be, the servants of the rate-payers, it would be far more appropriate to call them "Secretaries, Engineers, &c., to Government in the Municipal Department."

The Chamber hold the view that if the Government desire to popularise the Municipality, they must show some confidence in the judgment and discretion of the most influential rate and tax-payers. Among various suggestions made by the Chamber for improving the Act, the following may be noted: *Sections* 36 *and* 37. It was pointed out that the Government ought not always to select the President from among their own servants, Civil or Military, seeing that men with special experience in Municipal administration in England or elsewhere might be obtainable on terms which would not perhaps be acceptable to an officer of Government. In the opinion of the Chamber, the Municipal revenue did not admit of a higher salary than Rs. 1,500 per mensem being allowed to the President, while they thought that the minimum pay of Vice-Presidents should be fixed at Rs. 400 per mensem. *Section* 48. The Municipality was too poor to promise pensions to its servants, who should be left to provide for themselves, as *employes* on the Railway do. In cases where pensions were granted, the amount should be fixed by the Commissioners, and not by Government. *Section* 67. The Standing Committee of five members should contain not less than three non-officials. *Sections* 94, 95, *and* 96. The Auditors of the accounts should be nominated by the Commissioners, and not by the Government. The Chamber deprecated the power given to Auditors of summonsing

rate and tax-payers to appear before them; that authority ought to be reserved only to the President, before whom all appeals against over-assessment, &c., are heard and disposed of. *Sections* 103 *and* 106. The onus of collecting taxes should rest with the Municipality, and it should not be obligatory, as it is now, on tax-payers to send their dues to the Municipal Office. *Sections* 119 *and* 156. Government buildings ought not to be exempted from bearing their share of Municipal taxation; nor should Government vehicles, gun-carriages, ordnance waggons, and horses. It was not fair that the wear and tear of roads by Government property should be borne by the Municipal tax-payers alone. *Section* 120. Rs. 96 per cawnie seemed to the Chamber an excessive tax to levy on "lands unappropriated to any building or occupied by native huts with their appurtenances." *Section* 204. The Chamber pointed out the injustice of holding the occupier of a house responsible for the default of the owner, and thought it would be a harsh exercise of authority to appropriate the chattels of a tenant who is not responsible for the acts of the owner of a house. *Section* 211. The Chamber noticed that it was not clear from this Section whether the water-rate would not be claimed from any house which is distant more than 150 yards from a stand-pipe; and they thought the Municipal Commissioners should be bound to supply water in a state fit for consumption. *Section* 320. In the opinion of the Chamber, owners and occupiers of houses should be compelled to keep their fences and hedges in a uniformly good condition. There would then be less noxious vegetation, fewer hiding-places for venomous snakes, and public health would be benefitted by a free circulation of air. The owners of waste pieces of land or deserted buildings adjoining public thoroughfares should be compelled to keep such land or buildings neat. The Chamber are satisfied that if it were made the special business of some

Municipal officer to compel habitual compliance with regulations in the above direction, the appearance of the city of Madras might soon be improved. *Sections* 137, 254, 271, 275, 305, 384, *and* 406. The Chamber held these Sections to be either arbitrary or oppressive, and as placing powers in the hands of the President which it would not be desirable, in the interests of the public, to exercise. On the 26th July the Viceroy intimated to the Chamber that he had seen no reason to withhold his assent from the Madras Municipal Act.

THE NEGOTIABLE INSTRUMENTS BILL.

The second report of the Select Committee of the Viceregal Legislative Council on this Bill having been referred to the Chamber, they were glad to find that several of their suggestions for the improvement of the Bill had been adopted. The Chamber, however, while admitting that the Bill in its new form would, for the most part, meet the multifarious requirements of commerce in respect to negotiable instruments, were still unable to agree with the Select Committee on some points in connection with the amended Bill. As regards the application of the Bill, the Chamber adhered to their former opinion that it should not only extend to the whole of British India, but to negotiable instruments drawn in British India and payable in Native States, or drawn in Native States and payable in British India. The Chamber again pointed out that in cases where the amount was stated differently in words or figures, the custom was to pay the smaller sum; and they deprecated the change proposed of making it compulsory to pay the amount stated in words. Section 40, which constitutes the maker, drawer and acceptor of a Bill as principals to be proceeded against in the first instance, would, the Chamber considered, preclude the holder from bringing an action on a dishonored Bill against the party from whom he may have received it, or any

previous endorsers. The Chamber thought that it was not desirable that any parties to a negotiable instrument should be able, even temporarily, to evade their responsibility. The provision made in Section 73 that the drawee of a Bill of Exchange may retain the same until the end of twenty-four hours, to consider whether he will accept it, would, in the opinion of the Chamber, enable the drawee "when an instrument is presented for acceptance in the afternoon before the commencement of a long term of holidays, as for example the Christmas holidays, to accept only from the day after the termination of those holidays, or in other words the holder would lose so many days interest on the amount of the Bill by the putting off of the day of maturity." The Chamber recommended that the drawee should be bound to accept a Bill from the day when it was presented for payment. The Chamber suggested certain modifications in Sections 22, 31, 45, 72 and 97, while they took exception to Sections 45, 47, 55, 59, 68, 89 and 93, as being either unnecessary or undesirable.

The Negotiable Instruments Bill is, the Chamber believe, to be considered by the Law Commission during the present session, and will, it may be hoped, become law at no distant date.

IMPERIAL LICENSE TAX.

When the Bill for "Licensing Trades, Dealings and Industries in the Presidency of Madras" was before the Legislative Council, the Chamber took occasion to point out that the Bill infringed the pledge of the Government of India that in every Province "the highest amount which under any circumstances any individual or Company can ever be called upon to pay annually will be Rs. 200." The Bill before the Madras Council proposed to levy the following rates of License Tax, which are

contrasted with those which were proposed in the Bombay License Tax Bill :—

					Madras.	Bombay.
On Class	I	...	...	...	800	200
„	II	...	...	...	700	150
„	III	...	...	...	600	100
„	IV	...	...	...	500	80
„	V	...	...	...	400	60
„	VI	...	...	...	300	40
„	VII	...	...	...	200	30
„	VIII	...	...	...	100	25
„	IX	...	...	...	50	20
„	X	...	...	...	25	15
„	XI	...	...	...	10	10
„	XII	...	...	...	4	7
„	XIII	...	...	...	...	5
„	XIV	...	...	...	...	3
„	XV	...	...	...	...	2

At the same time the Chamber memorialised the Secretary of State for India, pointing out that though no doubt special taxation was necessary to make provision against future famine, it was unfair to impose the whole burden of this taxation upon the trading classes in India. The Chamber urged that no sufficient reason had been shown for exempting the official and professional classes from bearing their share of the famine taxation, that it was a mistake to regard the professional classes as the recipients of "fixed incomes," and that with regard to the official classes, the time had come when "the scale of official remuneration should be readjusted with due regard to the state of the labor market in Europe, and especially with regard to the inability of India longer to afford official emoluments that have never been paralleled elsewhere." The Secretary of State replied that under the extraordinary financial pressure which had arisen from the famine, the Government must have recourse to unusual expedients to enable the Exchequer to meet the various demands made on the resources of the State. He had approved of the principle of the measures adopted to restore the equilibrium between income and expenditure; but when the time came for reviewing the effect of recent financial measures, the

objections of the Madras Chamber would receive the fullest consideration.

MUNICIPAL TAXES ON PUBLIC COMPANIES.

During the progress of the Municipal Bill through the Legislative Council, the Chamber, by means of a Memorial, directed the attention of the Council to the hardship of compelling Joint Stock Companies which are only represented by Agencies in Madras to pay Municipal License Tax. The Chamber pointed out that many Home Insurance and other Companies, represented by Agents in Madras, did a comparatively small business, and that the effect of heavy Municipal taxation would probably be to induce the Companies to withdraw their agencies. The Legislative Council, on this representation, modified Schedule A of the Act to the extent of providing that any Company which showed that its gross annual income in Madras did not exceed Rs. 2,500 per annum, should be exempt from taxation.

COFFEE THEFTS' PREVENTION BILL.

In submitting a Memorial to the Legislative Council on this Bill, the Chamber observed that such an Act was needed in Mysore and Coorg as well as in the Madras Presidency. The Bill, having been referred to the Wynaad Planters Associations, as well as to the Chamber, underwent considerable modifications and was ultimately passed by the Council on the 28th September 1878. The Viceroy subsequently extended the operation of the Act to Mysore and Coorg.

INDIAN MERCHANT SHIPPING BILL.

The object of this Bill is "to prevent the departure of unseaworthy ships from British India, and to appoint Health Officers at the several Indian ports." In reporting on the Bill, the Chamber suggested some verbal alterations, whereby there might be no possibility for doubt

about the applicability of the enactment to native vessels, and pointed out the injustice of including in the meaning of the word "owner" any agent to whom a ship was consigned. The Act throws such severe and, as the Chamber think, inequitable responsibility upon Agents in India that the Chamber urged that a proviso should be inserted in the Bill setting forth that the Government will hold an Agent responsible only to the extent of such funds of the owner as he happens to hold, and that should such funds prove insufficient to discharge the claims, the remedy of the Government shall be on the owner's property, whether in the Agent's hands or not, and not on the Agent personally. The Chamber further pointed out the difficulty there would be in working the Act at the various small outports throughout India, through the possible absence of officials of sufficient intelligence to understand and carry out the provisions of the Act.

DRAINAGE OF THE FORESHORE.

The accumulation of sand between the two Harbour Piers had the effect of diverting the sewage which formerly flowed into the sea on to the foreshore, thereby creating a nuisance of which the Chamber had reason to complain on more than one occasion. Not only were persons engaged in the several Mercantile Offices and Banks exposed to the danger arising from the evaporations from the Beach, but the health of the Judges and officers of the High Court, as well as of the officers and persons doing business at the Custom-House, Stamp Office, Commissariat Office, &c., was seriously endangered by the same cause. The Chamber pointed out that eleven sewers debouched into the Harbour, that it was a matter of great importance, in a sanitary point of view, that the water within the Harbour walls should be kept as free as possible from pollution, and that as the expense of diverting the sewage to the North or South of the Harbour

would have to be incurred sooner or later, it seemed desirable that the drainage of the foreshore should be undertaken without delay, the cost of the work being, in the Chamber's opinion, fairly debitable to the Harbour scheme. The question was referred by Government to the Public Works Department, and the Superintendent of Harbour Works was directed, in communication with the President of the Municipality, to draw up a scheme for diverting all the sewage from the Harbour area. Considerable delay occurred in carrying out these orders, and in October the Chamber had again to complain of the offensive state of the foreshore, pointing out that the nuisance could only be abated by carrying the drain pipes out to the water, or by diverting the sewage outside the Harbour walls. The Government replied that they had determined to defer the further consideration of the question of the drainage of the foreshore until Mr. Parkes' arrival in January 1879. In the meantime they directed the Harbour Superintendent to remedy the nuisance arising from the stagnant pools of storm waters on the Beach by levelling the sand, filling up the hollows, and keeping a channel open down to the surf.

THE HARBOUR WORKS.

The Chamber took advantage of Sir John Coode's visit to Ceylon to inspect the Colombo break-water, to suggest that that eminent engineer should be invited to meet Sir Andrew Clarke, the Public Works Minister, at Madras, with a view to their reporting on the prospects of Mr. Parkes' scheme, and especially as regards the probability of its being carried to a successful completion. The Chamber thought that a verdict arrived at on the spot by Sir Andrew Clarke and Sir John Coode could not but merit the confidence of Government and the mercantile public. After reference had been made to the Government of India, the Madras Government informed the Chamber that it had been decided that Sir Andrew Clarke should be at liberty

to confer with Sir John Coode, or any other engineer in whom he might have confidence, should Sir Andrew, on examination of the Madras Harbour Works, feel any doubt or hesitation as to the course which should be adopted in regard to them. Sir Andrew Clarke saw no reason to interfere with the progress of the works, and Sir John Coode was not called upon, therefore, to visit Madras.

MASTER AND SERVANT BILL.

The revised draft of this Bill having been submitted to the Chamber for their opinion, the Chamber reported that while the revised Bill was an improvement on the original, they could not admit the necessity for any legislation on such a question. The Bill was inapplicable to Hindoo, Mahomedan and Budhist masters, and the Chamber failed to see on what principle the operations in establishments or on estates owned by Natives should be placed on a different footing to those in similar concerns owned by Europeans. The Chamber, while deprecating legislation for the settlement of disputes between domestic servants and their European masters, reminded the Government, however, of the necessity of some Act for defining the respective responsibilities of master and servant on coffee and other estates. In Ceylon, Mauritius and elsewhere, laborers who have resorted thither from India are subjected to rules or ordinances designed for the ultimate welfare of all parties concerned; but in India, which has even greater need than the colonies to foster planting and industrial enterprise, laborers and artisans are practically free from magisterial control.

LEGAL EFFECT OF PUBLIC VACATIONS.

The Chamber called the attention of the Madras Government to the fact that much difference of opinion exists as to the legal effect on the rights and responsibilities of parties to "term" contracts, and of holders and drawees of negotiable instruments, of a Government notification de-

claring a certain day, or a certain term of days, general holidays. The same doubt was felt about the legality of the holidays fixed upon by this Chamber. It appears that the Chamber's holidays, on being advertised in the *Gazette*, are, in virtue of the order of Government of 14th February 1853, kept as complete holidays at the Custom House, in addition to Her Majesty's birthday, Christmas day and New Year's day. In the absence of an enactment the legality of any of these holidays is open to question, and in the case of charter-parties and presentation and payment of bills-of-exchange, serious difficulties might arise with parties who declined to be bound by holidays which could not be legally enforced. The Chamber, therefore, suggested that the Government should take the question into consideration, and pass an Act, if necessary, for declaring such holidays as might be agreed upon, in concert with the commercial community, to be legal mercantile holidays, in the same manner as was done by the Bank Holiday Act in England. The Chamber, at the invitation of Government, subsequently submitted particulars of cases of dispute which had arisen in consequence of there being no statutory arrangement for the observance of certain days of the year as holidays. The Madras Government, however, did not see that any sufficient cause had been shown for special legislation in the direction suggested by the Chamber.

PROPOSED INCREASE OF PORT DUES.

The Master Attendant having submitted a proposal to Government for increasing the Port dues throughout the Presidency, in order to meet the additional charges that had been thrown on the Marine Department in opening up new ports and establishing Light-houses, the Government requested the opinion of the Chamber on the subject. The Chamber were not satisfied from the information placed at their disposal that an increase of port dues was required, and they were inclined to the opinion that by

enhancing the dues demanded of native shipping, and by bringing many ports which are now free of dues, though largely resorted to by the coasting trade, into the category of duty-paying ports, the additional revenue that was needed might be obtained without increasing the liabilities at other ports. The Government, at the suggestion of the Chamber, appointed a special Committee, consisting of the Master Attendant, two members of the Chamber of Commerce, and the Sub-Secretary of the Board of Revenue, to consider and report on the proposal submitted to Government by the Master Attendant. Messrs. C. A. Ainslie and G. Jackson were nominated to represent the Chamber on this Committee. The Committee's report is still under the consideration of Government.

VALUE-PAYABLE PARCELS.

The Chamber were asked by the Director General of Post Offices in India for an expression of opinion whether the extension of the "value-payable system" to overland parcels would, or would not, be a boon to the public—especially to European residents in the interior of the country. The Chamber thought that the Government could not offer such exceptional facilities to foreign traders without seriously injuring the interests of traders settled in India; and that the tradesman in India, who contributes to the public revenue, and brings capital and skill into the country, has a more direct claim on the consideration of the Government of India than the tradesman in England, who is ambitious of making profit out of India without incurring the discomforts and risks incidental to residence in the tropics. The Chamber were further of opinion that though the value-payable system might, to a certain extent, promote the convenience of the European public, it could hardly be considered the duty of the Government to undertake the work of "saving the tradesman in England from the risk and trouble of collecting his money in India."

LAY DAYS AND HOLIDAYS.

In December last, a notice was issued by the Superintendent of Sea-Customs, Cochin, stating that the Custom House would be closed for the Christmas holidays from the 22nd December to the 2nd January, both days inclusive, but that the Custom-House would be opened for the transaction of emergent business on payment of extra fees. Captain Mackay of the ship *Elliott*, which was loading at the time, intimated to the charterers' Agents that his lay days included every fine weather day, with the exception of Sundays, Christmas-day and New Year's day, as exempted by statute, and that therefore he could not recognise the holidays proclaimed by the Custom House. He was willing to pay the extra fees demanded by the Custom House, and required the agents to proceed with the loading of the ship. The agents refused, contending that the holidays sanctioned by Government at the Custom House were legal holidays. The case was ultimately referred for the decision of the Chamber, by which both parties agreed to be bound. A majority of the members decided in favor of excluding from the vessel's working days all the days during which the Cochin Custom House kept holiday.

SUMMARY PROCEDURE ON NEGOTIABLE INSTRUMENTS.

In supporting an application to Government from the Bank of Madras for an extension of the provisions of Act V of 1866 to all Courts at places where that Bank has branches, the Chamber took occasion to remark that they would gladly see the Act extended to all Chief or District Courts in the Presidency, the Act being necessary to obviate the difficulties and delay now attendant upon recovering money due on bills of exchange and promissory notes in the Mofussil Courts. The High Court pointed out that summary procedure was secured in Chapter XXXIX of the

Code of Civil Procedure (Act X of 1877), and that the provisions of Chapter XXXIX applied to any Courts, other than certain specified Courts having original civil jurisdiction, "to which the local Government may by notification in the official Gazette apply to them." The Government stated that they were not prepared to extend Chapter XXXIX of the Code of Civil Procedure to the Courts of District Munsifs, and that the desired summary procedure was already possessed by a superior Court at every place named by the Bank, except Guntoor and Bimlipatam.

PROBATE JURISDICTION OF COURTS.

In November 1872, and again in January 1873, the Chamber addressed the Madras Government on the subject of the limitation of the Probate Jurisdiction of the various Courts. In March 1875 the Government of India passed the "Probate and Letters of Administration Bill," which Act provides that Probate and letters of administration may be granted by a High Court of any Presidency, on special application, with effect throughout British India, but not to be operative in Mysore, Coorg, or territories of independent States. Under the Administrator General's Act, special provision is made for the issue to an Administrator General of letters of administration operative in the Provinces of Mysore and Coorg. Where a person dies leaving property in Mysore and Coorg as well as in British India, his private executor or administrator must take out separate Probate or letters of administration in Mysore and Coorg, in addition to the probate or letters of administration issued by the Presidency High Court for operation in British India, and the estate must endure additional expense in consequence; whereas in cases where an estate is left to the Administrator General, the one grant of Probate or letters of administration by a Presidency High Court can be made effective for the whole of the property. The Chamber

thought it only reasonable that a similar privilege to that given to the Administrator General should be granted to a private executor or adminstrator, and made a recommendation to this effect to the Government. The Chamber pointed out the difficulty experienced in practice in obtaining letters of administration for property situated partly in British India and partly in Native States, and the Advocate General expressed an opinion that the Chamber's request was a fit one for the consideration of the Legislative Department of the Government of India. The Madras Government accordingly forwarded the papers relating to this subject to the Government of India.

DETENTION OF OVERLAND MAILS.

The London Mail of the 16th March having been detained in Bombay for twenty-three and half hours, the Chamber called the attention of the Director General of the Post Office to the order of the Government of India dated 18th October 1872, which sanctioned the use of special trains as far as Kurjut for the transmission of English Mails to Madras, when they do not arrive in Bombay in sufficient time to admit of their being sent by the ordinary mail trains. The Chanber desired to be informed if the order for running special trains was still in force and acted on, and further suggested that, in cases where the English Mail was delivered a little late in Bombay, the Bombay Postmaster might be authorised to detain the train for the South for one hour, or one hour and a-half. The Director General replied that the power given to the Bombay Post Office to detain the ordinary train for half an hour, and to use a special train in connection with the conveyance of the Madras Overland Mail, had been used on all occasions (four times in 1877, viz., 10th July, special train; 17th July, train detained; 31st July, train detained; 9th December, special train) on which the Mail could be expedited thereby. The Director General stated that the G. I. P. Railway authorities declined to extend the

period of detention of their trains at Bombay beyond half-an-hour, and that he had no right to compel the Company to adopt the Chamber's suggestion; and he regretted that the G. I. P. Company was not so obliging in this respect as were the Scinde, Punjab and Delhi Railway and the East-Indian Railway Companies. Under these circumstances, the Chamber could only leave it to the Director General to give such orders to the Bombay Post Office as would ensure the use of special trains on all occasions when there is a possibility of overtaking the ordinary train for Madras. The Chamber also suggested that the P. and O. Superintendent in Bombay should, on occasions when the Mail Steamers arrive in Bombay Harbour about midday, use every exertion to land the mails for Southern India without delay, so as to obviate the risk of their being detained for twenty-four hours in the Bombay Post Office.

USE OF ADHESIVE STAMPS.

There was considerable correspondence with the Government during the year in reference to the best kind of stamps for use in India. The Government of India seem to entertain the view that the use of the bi-color stamped papers manufactured in this country should be discontinued, not only on grounds of economy, but for purposes of protecting the Government against fraud. The Government therefore proposed to arrange for the manufacture in England of stamped papers of superior design and special water-mark, and to sell these papers in India. Among the stamped papers which the Government proposed to sell for general use were cheque-books, bills-of-exchange, policies of insurance, bills-of-lading, transfers of shares, &c., the present system of "denoting" stamps on such documents, though fairly successful in protecting the revenue from losses, being considered clumsy in operation and inconvenient to the public. With regard to the proposal of the Government to sell printed stamped forms

for negotiable instruments, the Chamber pointed out that each Bank, Mercantile House, or Insurance Society had its own distinctive forms with, in many cases, special marks or indications therein (as a guard against forgery and fraud) known only to the initiated, and that the use of these forms would not be abandoned for the trifling advantage of having forms of a uniform pattern, supplied by the Government at the cost of the stamps. The Chamber considered the present system in regard to stamps was inconvenient and productive of delay in the transaction of business, and strongly urged the unrestricted sale of adhesive stamps, to be affixed to documents as they pass into use by the parties making such documents. The practice of using adhesive stamps was the most convenient for trade, and the objections urged against it, that it affords facilities for fraud, seemed to the Chamber insufficiently supported by available evidence.

STAMPS ON POWERS OF ATTORNEY AND NOTARIAL ACTS.

The Chamber called the attention of Government to on order issued by the Board of Revenue to the effect that Notarial Acts completed out of British India, attached to powers of attorney and other documents, in authentication of their execution, are subject under Article 23, Schedule 2 of the General Stamp Act to a stamp duty of Rs. 2. The Chamber pointed out that notarial certificates, except in the cases of Bills of Exchange, were usually attached to the instrument itself; and that in regard to powers of attorney so long as the stamp leviable upon the power does not fall below the rate of duty levied upon Notarial Acts, such powers do not require the additional stamp leviable in regard to Notarial Acts.

THE COLLECTION OF LICENSE TAX.

Having noticed in the *Fort St. George Gazette* of the 8th October, that Mr. Job Solomon had been appointed by

the Municipality as Collector of License Tax for the town of Madras, under Act III of 1878, the Chamber ventured to question Mr. Solomon's qualifications for carrying out the considerable powers conferred on the Collector under the Act. The Chamber further pointed out that the appointment of Collector did not, under the Act, rest with the Municipality. The appointment was cancelled by the Government.

THE NEW TELEGRAPH CODE.

The Bengal Chamber of Commerce called attention to a proposal made by the Eastern Telegraph Company to issue a new Code, consisting of 50,000 words, selected from the English, French, German, Latin, Italian, and Hindustani languages, and to apply a single rate for each word in this Code, but a double charge for words not contained in it. The Bengal Chamber expressed an opinion that the adoption of this new Code would result in all present commercial Codes being rendered useless, and merchants would suffer the inconvenience and expense of preparing new ones. The Madras Chamber were of opinion that there was no necessity for the proposed change. The present system, which had been adopted at the suggestion of the late Director General of Telegraphs in India, had worked well, and should be allowed to continue in force. The Chamber took the opportunity of suggesting, however, that five figures should be taken as one word, without repetition charge.

DISCHARGE OF CARGO.

The Military Secretary to the Madras Government called the attention of the Chamber to the fact that the agents in England of a vessel which had carried Government stores to Madras, had claimed demurrage on account of detention of the ship at Madras, through the non-provision of boats for landing the cargo. The Master

Attendant had suggested that Masters of sailing vessels should be required to land not less than 30 tons per working day during the months of October, November and December, and not less than 40 tons per working day during other months. The Government desired to know whether these limits would be fair both to themselves and the shipowners. The Chamber informed the Government that it was not usual to place Captains of ships under stipulations as to the rate of discharge, and that the usual course was for consignees to take delivery of not less than an amount agreed upon, which amount varies under different circumstances. To obviate the recurrence of claims for demurrage, the Chamber suggested that in the charter-parties entered into by the Secretary of State, the Madras Government should not be compelled to discharge the ship at a greater rate than that which the Master Attendant had stated he was in a position to arrange for.

THE PORT RULES.

The Chamber were favoured by the Master Attendant with a copy of the Port Rules in force at Pondicherry, and were asked to report whether any of these rules could be introduced with advantage at Madras. The Chamber remarked that the Pondicherry rules required the Master Attendant to see that the regulations regarding the tariff of boat-hire were carried out. The Chamber did not think that in a large port like Madras, where the traffic is uncertain, a tariff for cargo boats could be rigidly adhered to; but with regard to passenger traffic, there was undoubtedly room for considerable improvement in the present arrangements, which were a fruitful source of complaint from passengers landing or embarking at Madras. The Chamber did not think that any object would be gained by giving the Conservator of the Port of Madras the power to compel assistance in times of wreck or distress from bad weather,

in the manner described in the Pondicherry regulations, because, as a rule, in bad weather, all the ships are in trouble together, and each ship has enough to do to look after itself.

EXEMPTION OF COTTON GOODS FROM IMPORT DUTY.

In August last, the Madras Government sought the opinion of the Chamber as to the expediency of extending the exemption of Import duty to all Grey Cotton Piece Goods not containing Yarn finer than 30s. The Chamber could not approve of the further remission of import duties, and stated that far from admitting the expediency of the proposed exemption from duty, they failed to see any reason for inflicting upon the State a loss of revenue for which no compensation will be obtained. The Chamber added:—"It seems to the Chamber that the present is a most 'unsuitable time for thinking of sacrificing any of the 'State's resources under pressure from interested and imper- 'fectly informed foreign manufacturers, and that it would 'be difficult to find a tax which is felt so little by the 'people as that upon the fabrics referred to. The repeal 'of import duties might be expedient if the country were 'in a position to sustain without detriment the sacrifice 'of revenue, but situated as the finances now are, it is more 'than ever expedient that financiers should leave well 'alone."

THE LATE MR. JONES.

During the year, the Committee of the Chamber were deprived, by the death of Mr. John Jones, of Messrs. Parry & Co., of the services of one of their most active and experienced members. At a meeting of the members of the Chamber held on the 25th April, it was determined to place the following resolution on the records:—

"The Chamber desire to place on record an expression of their deep regret at the death of Mr. John Jones, who had been connected with the Chamber for several years, and had rendered considerable service to the Chamber on many occasions, especially in the capacity

of Chairman. They also resolve that a copy of this Resolution, with a letter of condolence, be addressed by the Chairman on behalf of the Chamber, to the widow of the deceased gentleman."

NEW MEMBERS.

The following gentlemen were elected members of the Chamber during the year:—

Mr. W. Walker,	of Messrs.	Walker & Co.
„ John Fortune,	„	Parry & Co.
„ T. Arthur Taylor,	„	T. A. Taylor & Co.
„ James Stiven,	„	A. R. Maude & Co.
„ W. L. Millar,	„	Gordon, Woodroffe & Co.

THE COMMITTEE.

On the death of Mr. J. Jones, Vice-Chairman, Mr. C. A. Ainslie was elected to that office for the remainder of the year, and Messrs. J. C. Shaw and Mr. L. Strange were elected to fill vacancies in the Committee. The Chamber adopted the following rule for guidance in future elections to the Committee:—

"Any member of the Committee who may leave India, except for Ceylon, or who may cease to attend meetings of the Committee for a period of eight consecutive weeks, shall be considered to have vacated his appointment."

THE SECRETARY.

Mr. Lawson having obtained permission to proceed on leave to Europe, the Chamber sanctioned the appointment, as a temporary arrangement, of Mr. H. Cornish as Secretary.

APPENDIX.

A.

THE MADRAS MUNICIPAL ACT 1878.

Chamber of Commerce, Madras, 28th June 1878.

To the Secretary to the Government of India,
Legislative Department.

Sir,—I have the honor to inform you, for communication to his Excellency the Viceroy and Governor General in Council, that this Chamber regret that an opportunity was not afforded them, of offering an opinion upon the Madras Municipal Act, 1878, of the Government of Madras, before it was forwarded to the Government of India for sanction. The measure was for some years under consideration; but it was finally passed through the Legislative Council with a rapidity that was in striking contrast to the deliberation which characterised the earlier period of its history. In a matter so intimately connected with the welfare of the population of this large town, it would, the Chamber consider, have been well, had the Bill, in the form finally adopted by the Legislative Council, been published for the information of rate-payers, before it received the sanction of His Grace the Governor in Council. As, however, this course was not pursued, the public have but a very vague idea of the scope of the measure; and the Chamber having now been favored with a copy of the Act, have deemed it their duty to submit some observations regarding it, in the hope that it may be returned to the Madras Government for modification before it receives the sanction of His Excellency the Viceroy.

The main feature of the Act to which the Chamber wish to draw attention, is the manner in which the Govern-

ment have assumed the entire control of every thing, while at the same time placing themselves above all Municipal responsibilities, pecuniary or otherwise.

The Governor in Council will appoint President and Vice-Presidents, and can remove each at his discretion. He is to fix the salary of such President and Vice-Presidents, and to grant them leave of absence on such salaries as his Excellency thinks fit. He is to make rules for retiring pensions, or gratuities, for all Municipal officers or servants; and the Commissioners are bound to pay out of Municipal funds such pensions or gratuities as may be provided by rules which they have had no hand in passing. The Municipal budgets are (Section 88) to be submitted to the Governor in Council—who may pass, or reject, or modify, all or any of the items entered in such Budget; and his order is final. The Governor in Council may (Section 64) supervise the Commissioners' work, and (Section 65) appoint any other person he pleases, on such scale of remuneration as he thinks fit, to be defrayed out of the Municipal fund, to carry out what he considers necessary. He is to appoint the Auditors of the Municipal Accounts and has control over their remuneration. He may exempt any part of the Town from payment of water, or lighting tax. He may authorise the Commissioners to borrow money for the general purposes of the Act. His Excellency's sanction is necessary for the grant, or refusal, of licenses for burial or burning-grounds. He may even (Section 381) direct a census to be taken whenever he thinks fit. His sanction is necessary (Section 396) for the fees to be levied by the Commissioners under various Sections. In fact, the entire framework of the Act amounts to this:—that there is a Municipality in name, which is nothing more than a Government Department, subject to Government control in every point which entails responsibility; the majority of the Commissioners nominated by Government; and the chief executive officials so entirely (including appointment, leave of absence, and pensions) under the authority of Government, that instead of being, as they ought to be, the servants of the rate-payers, it would be far more appropriate to call them "Secretaries, Engineers, &c., to Government in the Municipal Department."

The Chamber consider that if Government are desirous of popularising Municipal Institutions they should give such institutions a fair trial on conditions somewhat analogous to those which obtain elsewhere; but, if they are not prepared to entrust the rate-payers with the powers of self-government, they had better, without circumlocution, take Municipal management and responsibilities into their own hands, and constitute a separate Department for the purpose.

The exemption which, throughout the Act, is accorded to Government from liability to Municipal imposts is strongly deprecated by the Chamber. There are such matters as (Section 156) exemption of Government vehicles and animals, (and even vehicles and animals belonging to the elected or non-official Commissioners) from payment of tax or tolls, (Sections 177 and 178). There is the exemption (Sections 322, 325, 328, 333) accorded to Government from taking out licenses in respect of places used for offensive and dangerous trades, stables, timber depots, and slaughter-houses. It seems to the Chamber that when it comes to a question of Municipal powers and regulations it is unreasonable to place the Government in a better position than any other residents within Municipal limits.

In respect to taxes on horses and vehicles the object is provision for the wear and tear of roads which have to be kept up by the Municipality, caused by the traffic of such vehicles and animals. The theory for Government exemption is, that such vehicles and animals as they own, or employ, within Municipal limits, are engaged for the general good of the inhabitants, and for no other purpose, and should, therefore, be exempt from Municipal contributions. This might perhaps be admitted if the obligations of Government were confined to Municipal limits; but such is not the case in the city of Madras. Madras, as the Presidency Town, maintains the seat of Government. The entire staff, or head-quarter, establishments of the Government of the entire Presidency, are maintained here. These Government vehicles and animals are employed largely in the movement of troops, stores, &c., merely passing through the town on their way to, or from, other parts of the Presidency. When the Police Contribution

Act was recently introduced one of the many arguments brought forward in its favor, was, that at the present time the general revenues of the Presidency were made to contribute for the protection of residents within this Municipality; but, when this argument can be applied in an opposite sense it is apparently thought no hardship, or inconsistency, that the wear and tear of the roads occasioned by the necessities of the entire Presidency shall be met solely by residents within the Municipality of Madras.

As regards the Licenses which every private person engaged in a dangerous or offensive trade, is required to take out, as the natural check required for the comfort and safety of the Town, the Chamber fail to imagine on what principle similar establishments, owned by Government, shall be exempted from Municipal supervision.

The exemption from all contributions to Municipal expenses, of house or landed property owned by the State within Municipal limits is also regarded as inconsistent. There is a large area of cultivated land within those limits from which Government derive a revenue of considerable amount. Reference is not made here to the quit rent on ground occupied by private houses, and compounds. Even that ought perhaps to be liable as an "annual value" subject to assessment, but as the Municipality does derive a revenue indirectly from such land through the house tax, it is perhaps not worth while raising this question. But in regard to all the cultivated land (puttah land which is held by ryots and cultivated, like land in any other part of the Empire) the Chamber fail to see on what principle the Government should be exempt from payment of Municipal assessment on the yearly revenue they derive from such land, so long as private proprietors of other lands within the limits have to pay.

According to Sections 119 and 120 on "all land unappropriated to any building, or occupied by native huts with their appurtenances," an assessment of Rs. 4 per ground, is leviable; that is Rs. 96 per cawnie has to be paid by the private proprietor, while Government lands are exempt from

any payment. Moreover the utmost revenue derived by Government from their lands, or, in other words, the utmost the holder or occupier has to pay, is said to be Rs. 5 per cawnie, and the average, perhaps, not more than Rs. $2\frac{1}{2}$ to Rs. 3. The Chamber have been informed of a case where a demand of Rs. 672 for the current year has been made, on land the entire annual revenue from which (in rent on some native huts in one portion of it) is Rs. 557-8-0, from which must be deducted cost of establishment Rs. 252, leaving a net balance of Rs. 305-8, to meet an assessment of Rs. 672. If the private owner of land within Municipal limits, whether resident or not, is liable to contribute to Municipal expenses, on what pretext can the Government, or State owner, or landlord, or enjoyer of manorial privileges, be exempted? This is not a case where the State's privileges or responsibilities are confined to the Municipal limits; and if the inhabitants of Madras are to be told that any expenses belonging to their town which they do not defray come out of the pockets of the general tax-payers of the Empire, surely it may be claimed that the general tax-payers should not be relieved at the expense of the rate-payers from assessments on the annual value of lands within Municipal limits, merely because those lands happen to be held by the State, and are not private property.

Then, there is all the household property held by Government in the Fort, as well as the Custom House, High Court, Revenue Board, Collector's Offices, the Government Foundry, the Government Telegraphs, and the Harbour Works (which are merely a Department of the Public Works), Godowns, and Store Houses in various parts of the Town. It cannot be argued that this property, or the establishment for which the property is required, is in any way needed for the special wants of the inhabitants of the city of Madras, since it is for the purposes of the entire Presidency; and the Presidency is fairly liable to pay the Municipality of the city such an assessment on the annual value of property maintained for the general purposes of the State as would be placed on it were it private property. It might be difficult to obtain an accurate valuation of all these items of Government property.

Various estimates from two-and-a-half down to one million sterling have been placed upon the Fort alone; but it may safely be said that the value must be very considerable, not only from what the actual cost of construction has been, but from the importance and convenience of the buildings, barracks, offices, &c. The Chamber consider that all Government landed, or household property within the Municipal Limits is fairly liable to assessment for Municipal purposes, and they would strongly urge the expediency of recognizing this claim. They would suggest that all house property belonging to Government within the Municipality should be valued by an independent appraiser, and that the annual value thereof should be estimated at the same percentage of interest, on the appraised figures, as is usually paid by the State for Loans for public necessities —say 4 per cent. The assessment as provided by the Municipal Act would be levied on such annual value. Similarly in regard to the annual revenue derived by the State from land within Municipal Limits, the Chamber consider such revenue fairly chargeable with Municipal assessment at 10 per cent.

The Chamber thus arrive at the conclusion that it is impolitic to constitute a Government Department, instead of a *bona fide* Municipality, for the municipal government of the town. If Government wish the citizens to take up the municipal management of their town and property, they must shew a proper confidence in their judgment and discretion. If, however, the Commission is to be merely the mouth-piece and agent of Government, no citizen whose opinions or services are of value will take any active part in it. In fact there cannot be a more bitter satire upon the whole Act than the final and concluding Section (433) in which it is provided that should the Commissioners fail to carry out the various duties, or any of them, which the Act empowers and requires them to execute, any person who feels aggrieved may bring an action against them; and the Court (which Court is not named) may make any order on such action it thinks fit. The Government take all power into their own hands, but if the rate-payers are injured by the neglect of the officials appointed by Government they may possibly recover damages through a Court; such damages to be paid presumably, as no other

provision is made, out of Municipal funds, or in other words out of the pockets of the parties injured. This places the entire Commission and the Executive Officers in a position of irresponsibility to the rate-payers, and the effect must be to render the entire Commission, officials, and subordinates, indifferent to the opinion of the public whose servants they ought to be. In a properly constituted Municipality such functionaries are employed under the direct control of the rate-payers, and if they fail to discharge their duties efficiently they would promptly be dismissed, and more intelligent or reliable men be put in their places. They have, therefore, the strongest motive, that of self interest, to discharge their duty satisfactorily to the public. But in Madras it is exactly the reverse. The functionaries know that they are not responsible to the inhabitants; that the Government believe perhaps that any change in establishment could hardly be for the better, as it must be merely a continuance of the same system; and one result of this is the present unsatisfactory state of the roads, drains, and lighting, the indifference about collecting taxes, and the carelessness in expenditure.

I will now proceed to record the Chamber's opinions on certain of the Sections of the Act.

Section 3.—The President and Vice-Presidents are hereafter styled "Official Commissioners;" the other Commissioners, "Non-official Commissioners."

Section 8.—Of the thirty-two Non-official Commissioners, sixteen shall be nominated by the Governor in Council.

The Chamber recommend the adoption of some other distinguishing titles for the Commissioners. The Commission professes to be a representative body, but the Government reserve the right to appoint the paid and a half of the unpaid Commissioners. The rate-payers are permitted to elect the other half of the latter. The nominees of the Government will probably in most cases be servants of the Government, and these gentlemen may be expected to act on the assumption that they represent the Government, rather than the rate-payers. When, therefore, any question comes up in the Commission as to the liability of Government to rates or taxes, or when there is a divergence between the views of rate-payers and those understood to be enter-

tained by the Governor in Council, the majority of votes should usually be in favor of the Government. The representatives of the rate-payers finding themselves habitually out-voted, will be disheartened; and when they resign, the difficulty will increase of finding suitable successors to them. Non-officials of influence and ability will not be easily persuaded to accept the barren honor of being cyphers at the Municipal Board. Thus the Government, in their anxiety to prevent what may be deemed factious opposition to their behests, will prevent the growth of that healthy interest in civic affairs which, under wise direction, might be made conducive to the welfare of the town. The Commission, if constituted in accordance with the Act, will be little less than a Department of the Government, and the public are not likely to be misled by the fiction about its independence. It seems, however, to the Chamber desirable, that the inaccuracy involved in styling a nominee of the Government a "Non-official" Commissioner had better be avoided. In order to this, it would be sufficient to style the President and Vice-Presidents "Executive Commissioners;" the sixteen gentlemen nominated by the Government "Official Commissioners;" and the sixteen elected by rate-payers "Non-official Commissioners."

Section 9.—In order to be a qualified voter under this section, a person must. . . . (e) have been, for the six months immediately preceding, the occupier of a house in the division for which he desires to vote at a monthly rental of not less than twenty-five rupees.

It does not appear from this clause who will exercise the right in the case of several occupiers of the same house, rented as above.

Section 33.—The purposes on which the Commissioners are authorized to expend funds are the following, viz :—(*b*) *Public Health.*—Construction, repair and maintenance of hospitals and dispensaries; vaccination; training of Medical practitioners and subordinates; training and supervision of vaccinators; registration of births and deaths; taking a census; and other measures of a like nature.

2. Construction, maintenance, supervision and control of public markets and slaughter-houses; latrines, privies, urinals, drains, sewers, drainage-works; sewage farms; tramways and other works for the removal of sewage; water works, drinking fountains, tanks and wells; parks and gardens; the acquisition of land necessary for any of these purposes; reclamation of unhealthy localities; and other sanitary measures of a like nature.

In these clauses a dangerous latitude is given to the Commissioners. The "repair" of institutions of the class referred to, in the sense of maintenance in a state of usefulness

and safety, may legitimately be classed among Municipal obligations; but the Chamber cannot recognise it as incumbent on the Municipality to "construct" new buildings, to "train medical practitioners and vaccinators," or to provide funds for so vague a purpose as "other measures of a like nature." It is further observed that (*c*) *Elementary Instruction* provides for the "construction" of school houses for the poor, and (*d*) *Public convenience,* for the "construction" of all buildings required to give effect to the purposes of this Act. If, therefore, it should suggest itself to the Commissioners to provide themselves with a palatial office they will be at liberty to carry out the whim at the expense of rate-payers.

Section 36.—The President shall receive such salary out of the Municipal Fund as is from time to time fixed by the Governor in Council. Such salary shall not be less than eighteen hundred rupees or more than two thousand five hundred rupees per mensem.

The President shall devote his whole time and attention to the duties of his office. He shall not hold any other appointment, temporary or permanent, nor follow any other occupation, nor be a Director of any Company.

Any Civil or Military Officer in the service of Government may hold the office of President so long as such officer does not fill any other appointment than that specified in this section.

It is here provided that the President may be a servant of the Government, and it may be assumed that he will invariably be so. It may be hopeless for the Chamber to attempt to persuade the Government that it might sometimes be desirable to confer such an appointment on a specialist who is not in the service of the State. The Government are prompted to appoint one of their own servants to the position by the desire to avoid the unpleasantness of a difference of opinion between themselves and him. But the welfare of the town is a matter of greater importance than the convenience of the executive, and that welfare may often be better promoted by a man who is independent of, than by one who is subject to, official bias. Many an average Civil or Military officer may seem to the Government capable of discharging the routine work of the Municipal Presidentship, and punctually "doing what he is told;" but it will not be often that the Government will find one of their servants available who possesses special tact, special experience, and special knowledge which can be compared with what might be found in a gentleman Munici-

pally trained in England. The rate-payers would probably bear Municipal taxation more contentedly if they knew that the highest Municipal talent available anywhere was engaged in developing the resources of the town. A specialist, who brought to the discharge of his duties a wide acquaintance with Municipal administration elsewhere, should be likely to command the respect of his subordinates, as well as of the Government in a larger degree than a Civil or Military officer who had shown no exceptional aptitude for, or knowledge of Municipal work.

As to the emolument of the President, the Chamber suggest that, until the resources of the town admit of a heavier tax, it should not be less than one thousand, or more than fifteen hundred rupees per mensem. They are satisfied that this rate of pay would suffice to tempt many thoroughly qualified men in England to apply for the post. As long as that is the case, it will not be just to rate-payers to charge the Municipal budget with any higher salary, in order to make the appointment worth the acceptance of a Civil Servant.

Section 37.—The Vice-Presidents shall receive respectively such salaries out of the Municipal Fund as are from time to time fixed by the Governor in Council. Each such salary shall be not less than five hundred rupees, and not more than one thousand rupees per mensem.

The Chamber suggest that the salary shall not be less than four hundred, and not more than seven hundred and fifty rupees per mensem.

Leave of Absence.—45.—The Governor in Council may, upon the recommendation of the Commissioners grant such leave of absence to the President, or Vice-Presidents, as he thinks fit.

For the words "as he thinks fit" the Chamber recommend that the words "as may be compatible with the rules of the Uncovenanted Civil Service" be substituted.

46. The Governor in Council shall have power to direct the payment, out of the Municipal Funds, of such salary as he thinks fit to the officer on leave, and to the person so appointed to act in his place.

Provided that the aggregate sums paid to such officer and person shall not in any case exceed the amount of the maximum salary which, under this Act, may be paid to the permament holder of the office.

To this clause the Chamber suggest the addition of a proviso that "the salary of the officer going on leave shall not

exceed half the salary he draws when on duty." A similar addition to clause 47 is recommended.

Pensions.—48.—The Governor in Council shall prescribe rules for the grant of retiring pensions or gratuities to officers and servants appointed under this Act, and to any officer or servant of the late Commissioners whose office is abolished by this Act, and who is not appointed to any office created under this Act, or to any office under the Government, the salary of which is not less than that of the office so abolished.

The Commissioners shall, subject to such rules, pay such pensions and gratuities out of the Municipal Fund.

The Chamber beg to urge the omission of this clause. They consider that it should be left to the Municipal officers and servants to make provision for themselves in the same way as the *employés* in the Railway do. The town is at present too poor to charge itself with the burden proposed, and it is undesirable to *guarantee* the payment of pensions for past services out of future taxes. If the circumstances of the town should so improve as to allow of the accumulation of a permanent fund against which pensions could be debited, no objection would probably be raised to making some provision for the Municipal executive, to whose exertions such improvement might be partly due; but at present the town's financial position forbids the entertainment of a scheme which if liberal to the Municipal executive is not just to rate-payers. If, however, the Government insist upon pensions and gratuities being paid to Municipal *employès*, the Chamber contend that the amount thereof should be stated in the Act, instead of being left to the discretion of the Governor in Council. Presumably, the Commissioners are the persons who are in the best position to gauge the value to the town of an *employè's* services; but in the Section, the Commissioners are not permitted to offer an opinion on the subject, but must pay any sum that the Governor in Council may name. The Chamber very respectfully ask the Government to consider whether this is not inconsistent. A moiety of the Commissioners are answerable to the Government, and the other moiety to the rate-payers, for the expenditure of the Municipal revenue; yet, in a matter which in the course of time will become a heavy tax on that revenue, they are not allowed to say a word, whenever it pleases the Governor in Council to admit a Municipal Office to the benefit of pension, or

gratuity. As such an exercise of authority by the Governor in Council is not calculated to make citizens, whose services would be peculiarly valuable, solicitous of serving as Commissioners, the Chamber are of opinion that it would be wise to make the pension, or gratuity, dependent on the approval of the body of Commissioners, and that in no case should pension, or gratuity, be granted, unless that approval is recorded by the majority of Commissioners, and payment is subsequently sanctioned by the Governor in Council. While, on the one hand, faithful service would thus be rewarded, on the other perfunctory work would meet its just deserts at the hands of those best able to estimate its value to the community.

Standing Committee.—67.—The Commissioners shall at their first General Meeting in each year elect by ballot five of their number, who, with the President and the two Vice-Presidents, shall form a Standing Committee, and shall in like manner fill up all vacancies occurring during the year.

The Chamber suggest that not less than three of the number should be Non-official Commissioners elected by rate-payers.

79. The Standing Committee shall conduct a monthly audit of the Municipal receipts and disbursements, and shall prepare monthly an abstract of such receipts and disbursements for the preceding month.

Such abstract shall be certified by the signature of at least two Non-Official members of the Standing Committee.

The two Non-official members here referred to should, in the Chamber's judgment, be Commissioners elected by rate-payers.

Audit of Accounts.—94.—The Governor in Council shall nominate, on or before the thirty-first day of December in every year, two persons to be Auditors of the Municipal Accounts, who shall maintain and keep a continuous audit of the said accounts during the year following.

The Chamber consider that the nomination of the Auditors should rest with the Commissioners, and that their nomination should be subject to the approval of the Governor in Council. This is in harmony with Section 98, which confers upon the Commissioners the right to fix the auditorial fees subject to the approval of the Governor in Council.

95. For the purposes of any audit and examination of accounts under this Act, the Auditors may, by summons in writing, require the production before them of all books, deeds, contracts, accounts, vouchers, and all other documents and papers which they may deem necessary, and may require any person holding or accountable for any such books, deeds, contracts, accounts, vouchers, documents, or papers, to appear before them at any such audit and examination or adjournment thereof, and to make and sign a declaration with respect to the same.

96. If any such person neglect or refuse to produce any such books, deeds, contracts, accounts, vouchers, documents or papers, or to make or sign such declaration, he shall be liable for every neglect or refusal to a fine not exceeding one hundred rupees, and to a further fine not exceeding seventy rupees for each day during which the offence is continued after he has been convicted of such offence.

This seems to the Chamber inexpedient. The Auditors should be authorised to call for vouchers from the *employés* of the Municipality, but the rate-payers should not be answerable to the Auditors. The Municipal Office Establishment is maintained at great expense for the purpose of collecting the taxes according to the Act, and it is the duty of the *employés* to keep the usual books of account in such a manner as to admit of their being periodically audited. If a rate-payer is found by the Auditors to have taken unfair advantage of the Municipality, he can be addressed on the subject by the President, or summoned before a Court of Justice, or otherwise coerced; but the Auditors, as such, should not, the Chamber consider, be invested with any authority to call upon him for information, and to fine him for not attending when wanted. In Section 189 all complaints for revision, and all appeals against over-assessment, &c., "shall be heard and disposed of by the President." Similarly all demands for tax short collected, &c., should be made by the President. The Auditors are merely temporarily employed gentlemen, whose function it is to ascertain, and report to the President, whether or not the books are in order, and, if deemed advisable, whether all taxes that can be have been duly collected.

Section 106.—If in any half-year any person exercises any such art, profession, trade or calling, or holds any such office or appointment for sixty days without paying the sum due in respect of such half year, the President may, so soon as he is informed thereof, serve upon such person, or forward to him through the post, a registered notice that if within fifteen days from the date of such service or posting, as the case may be, such payment be not made, such person will be prosecuted for such default.

If such person omits to make such payment, together with the costs of service, the President may, at the expiration of the said fifteen days, prosecute the person so in default before a Magistrate.

Section 103.—If the Commissioners determine to levy a tax on Arts, Professions, Trades and Callings (not being a military profession or calling), and on offices or appointments, every person who within the City exercises any of the Arts, Professions, Trades or Callings, or holds any office or appointment specified in Schedule A, shall pay in respect thereof the sum specified in the said schedule as payable by persons of the class in which such person is placed.

The Chamber are of opinion that the onus of collecting the taxes should rest with the Municipal Commissioners; that

it should be obligatory on the Municipal Establishment to send the requisite forms to rate-payers, and call in due time for the money claimed, and that when a rate-payer has not been thus applied to he shall be exempt from the penalty for non-payment of rates. It is notorious that the existing system is favorable to habitual evasion of taxes. The law authorises the Commissioners to make certain demands on the citizens, and it is not much to ask that the Commissioners shall take the trouble of applying for, and collecting their dues. This may entail an increase in the Municipal establishment, but there is every reason to believe that the increase of the collections would more than cover this extra expenditure. Moreover, rate-payers would be freed from the annoyance to which they are now subjected, of being addressed in an arbitrary and threatening manner whenever they chance to forget that Municipal taxes are overdue, and the Municipal Establishment discovers the circumstances.

Section 119.—The Commissioners may impose an annual tax upon all houses, buildings and lands, excepting light-houses, public piers, wharves, jetties and all other works connected with the Harbour of Madras, all places of public worship, and all burial and burning grounds.

The Chamber deprecate the exemption of the public buildings, &c., referred to in this Section. Piers, wharves, jetties, and Harbour works should contribute their share to the Municipal revenue, since they are designed for Imperial as well as for local uses.

Section 120.—The President may, in lieu of such tax, levy upon any lands unappropriated to any building, or occupied by native huts with their appurtenances, a fixed annual tax not exceeding four rupees for every ground of such lands.

The Chamber consider that it should be stated in this Section that it does not apply to uncultivable waste land, which is not appropriated to any use. An annual tax of Rs. 4 for every ground, or Rs. 96 per cawnie seems to the Chamber excessive.

Section 134.—When any building is built, rebuilt or enlarged, the owner shall give notice thereof in writing to the President within fifteen days from the date of completion of such building, rebuilding, or enlargement, or from the date of occupation of such building, which ever date happens first.

The owner of any such building who omits to give such notice shall be liable to a fine not exceeding fifty rupees.

Section 254.—The President may, upon such terms as he thinks fit, allow any building to be set forward for improving the line of any public street in which such building is situated.

The above are quoted as specimens of the numerous Sections in the Act, which if put rigidly into force, are likely to prove oppressive to the lower classes of the community, who have not yet been instructed in their Municipal obligations. They are, at the same time, calculated to make demands on the time of the President which might be more profitably employed in developing the revenue, and scrutinising the expenditure of the Municipality. In all probability not a few of the Sections which define the duties of the President will be more honored in the breach than the observance, for it seems to the Chamber that no one man could hope to perform completely the very varied, minute, and, it may be added, petty duties that are crowded by the Act upon the President. As permissive clauses the introduction of not a few of the Sections in the Act may be prudent, but the Chamber do not desire to conceal their own conviction that if the appointment of President should ever be conferred on a man who is a stickler for trifles, the native community may be greatly worried by his excessive conscientiousness.

Section 137.—Whenever any land belonging to the Commissioners is occupied by persons whose occupation has not commenced with the permission of the President, such money payment as the President may from time to time determine may be required and levied from such persons in respect of such occupation.

The Chamber consider that this Section confers too much authority on the President, and they suggest that a maximum rate that may be charged per ground, per week of occupancy, should be stated in the Act. Ships wrecked on the foreshore unavoidably occupy Municipal land without permission, and they should not be taxed entirely at the discretion of the President, but should be liable to no heavier rate than one fixed upon before the casualty.

Section 156.—The tax for vehicles payable under the preceding section shall not be imposed on :

(*a.*) Gun carriages, Ordnance carts or waggons, Cavalry horses, or any vehicle or animal belonging to the Government ;

(*b.*) Vehicles and animals belonging to the Commissioners ;

The Chamber beg to repeat that vehicles belonging to the Government, which are required, not for the exclusive use of the

City of Madras, but for the purposes of the whole country, should not be allowed to cut up local Municipal roads without paying something by way of compensation to the Municipality. It suits the convenience of the Government to make the city the head-quarters of various Departments, but only in an indirect manner does the town benefit from being the seat of the Government for part of the year. The Government compel the rate-payers to bear the cost of the up-keep of all roads within Municipal limits, and whenever those roads are open to traffic the Government assert the right to make a gratuitous use of them. The wear and tear of the roads being increased by the heavy Military vehicles referred to, the rate-payers have to pay for their repair, oftener than might otherwise be the case, so they have to forego some advantage that might be gained if the Government made an equitable contribution to the Municipality. There is not much difference in principle between the Government making free use of roads paid for by butchers, bakers, milkmen, &c., and helping themselves to meat, bread, and milk without compensating the vendors, on the ground that those articles are needed by the troops within Municipal limits.

Section 158.—Every person keeping vehicles for the purpose of being let out for hire, by the day or trip, shall within one month after the coming into operation of this Act, and thence forward in the month of January in every year, apply to the President to have the same registered.

The President may refuse registration if, in his opinion, such vehicle is from want of repair, dirt or any other cause, unfit to be used.

The Chamber suggest that power should be granted to the President to inspect such vehicles during the currency of the licenses, and to cancel such licenses if the vehicles are found unsafe, or otherwise unfit for hackney purposes.

Section 204.—If the sum due on account of any tax from the owner of any house, building or land, remains unpaid, after notice of demand has been duly served, the President may demand the amount from the occupier for the time being of such house, building or land, and, on non-payment thereof, may recover the same by distress and sale of any property found on the premises.

The Chamber consider that the occupier should not be held responsible for the default of the owner, and that instead of enforcing payment from the former, it would be more equitable to invest the President with the power to recover the sum due, by the sale of the whole or part of the property. The occupier virtually enters into a contract with the owner, to

which the President is not a party. The owner agrees to let the occupier have the use of his house in consideration of the payment to the owner of a certain sum at stated intervals. The occupier does not hold himself bound to pay such sum to any creditor of the owner, and he should not be liable to do so except by the injunction of a Court of Justice. Under the present Act the power is reserved to the President to exercise the authority of a Court of Justices, and to attach the rent until Municipal dues are met. Failing the surrender of the rent the President may recover the sum due by distress and sale of any property found on the premises. In most cases such property would belong not to the owner of the house, but to the occupier. The Chamber think it would be a harsh exercise of authority to appropriate the chattels of a person who is not responsible for the acts of the owner of the house. Such owner might have a small sum at his credit at a Bank. The President might hear of the circumstance, but he would be unable, without the authority of a Court of Justice, to prevent the payment of such sum to the owner so as to obtain it in liquidation of Municipal demands. He may, however, attach and sell—most probably at a sacrifice—property that does not belong to the said owner, but which the tenant has been unfortunate enough to put into the house. It seems to the Chamber that the President should have his remedy against the owner, but not through the occupier as long as the latter has not accepted responsibility on behalf of the owner.

Section 209.—Every debenture holder shall be entitled to receive a debenture bond in such form as may be agreed upon, and such bond shall be in the nature of personal estate of such holder.

Such bonds shall be transferable by endorsement made on the bonds themselves under the hand of the holder or his agent duly authorized. . . .

No such transfer shall be effectual until the endorsement is registered in the office of the Commissioners; and it shall be the duty of the President to cause such registration to be made within a reasonable time after presentation.

The registration of the transfer may be desirable for Municipal purposes, but it will prove detrimental to the negotiation of the debentures, and consequently prejudice their value in public estimation.

Section 211.—The Commissioners shall provide a supply of drinking water within the City, and shall for that purpose cause such pipes to be laid, and such tanks, reservoirs or other works to be made as are necessary for the supply of wholesome water in the public streets of the City; and shall erect

in such streets convenient stand pipes, fountains, open reservoirs or pumps for the gratuitous use of the inhabitants of the City for domestic purposes.

Such stand-pipes, fountains, reservoirs or pumps shall be so placed that there shall be one at a distance not exceeding one hundred and fifty yards from any house in any public street.

It shall be the duty of the Commissioners to make adequate provision that such supply of water shall be continuous throughout the year, and that the water supplied may be at all times pure and fit for human consumption.

The Chamber do not gather from this Section, or from those that follow it, that the tax will not be claimed from any house which is distant more than 150 yards from a standpipe; and they urge that an exemption from the rate should be granted to such tenement. The Chamber would have been glad to see provision made for holding the Commissioners responsible for supplying water in a state unfit for human consumption. Rate-payers in Madras have had experience of the supply of such water, and it would be but just to guarantee them, as far as possible, against the recurrence of such an infliction.

Section 229.—The Commissioners may sell or lease any vacant ground, either by the side of a street or elsewhere, vested in them by this Act, for the purpose of being built upon, on such terms, and subject to such conditions as to the class and description of buildings to be erected thereon as they think fit; or they may themselves erect buildings on any such land, and may lease the same on such terms as they think fit.

The Chamber do not think the Commissioners should be permitted to erect any buildings but such as are unquestionably required for public purposes, for it is no part of the functions of a Municipality to engage in building speculations with the money derived from rate-payers for ordinary Municipal purposes.

Section 254.—The President may, upon such terms as he thinks fit, allow any building to be set forward for improving the line of any public street in which such building is situated.

This, and several of the succeeding Sections, seem to the Chamber to be ill-adapted to the locality, to the style of buildings that predominate in the town, and to the requirements of the people; and, if put rigorously into force, they may prove very oppressive.

Section 271.—The owner of every building in any public street shall, within fifteen days after notice from the President, put up, and shall thenceforth maintain, proper troughs and pipes for catching and carrying the water from the roof and other parts of such building, and for discharging the same in such manner as the President may allow.

In default of compliance with such notice within fifteen days from the service thereof, the owner or occupier shall be liable to a fine not exceeding fifty Rupees, and to a further fine not exceeding ten Rupees for every day that he so makes default.

The Chamber consider this Section arbitrary, and apprehend it will prove impracticable.

Section 275.—All doors, gates, bars and ground floor windows put up after the coming into operation of this Act, which open upon any public street, shall be made so as not to open outwards.

If any such door, gate, bar, or window be made so as to open outwards on any such street, the owner or occupier of the premises to which the same is attached shall, within eight days *after* service of notice from the President to that effect, cause the same to be altered so as not to open outwards.

In case such owner or occupier neglects so to do, the President may make such alteration; and the expenses thereof shall be paid by the owner or occupier, and shall be recovered as provided in Section four hundred and thirteen.

This Section seems to the Chamber much too imperative as the majority of godowns and coach-houses open outwards in this town without causing any obvious inconvenience to street traffic, or passengers. If the streets had pathways, the outward opening of doors and windows might be objectionable, and even dangerous; but in most parts of the town, there is an open gutter in front of buildings opening on to the street, and the doors and windows when opened outwards do not extend beyond such gutter. In practice the Section will not perhaps be severely enforced; but, be this as it may, the Chamber take objection on principle to harassing the people with regulations that are opposed to their customs, and are not calculated to contribute to their well being. The Chamber do not object to the President having the power in individual cases to prohibit doors and windows from being constructed to open outwards when he considers it necessary so to do; but they fail to see the need of laying down a stringent law for universal observance on a matter of this kind. The unpopularity of Municipal institutions in India is probably due more to vexatious interference in petty matters with the time honored usages of the subject than to the imposition of Municipal taxes.

Section 305.—Every owner or occupier who allows the water of any sink, drain or privy, or the drainage from any stable or place, or any other offensive liquid matter belonging to him, or being on his land, or in his house, or in any house or land occupied by him, to run down on to, or be put upon any street or into any drain in or alongside of any street, except in such a manner as shall prevent any avoidable nuisance from any such liquid or offensive matter

soaking into the walls or ground at the side of the said drain, shall be liable to a fine not exceeding ten Rupees for each offence.

This is another Section which will be capable of being made extremely oppressive to the people without conferring any proportionate benefit on the public at large; and until the town is properly drained it will need to be administered most judiciously. In the present condition of Madras it must be almost impossible for the majority of house-owners, or occupiers, to prevent the nuisance referred to, and it is not easy to determine the difference between an avoidable and a non-avoidable nuisance. Nothing can well be more filthy than some of the back streets of the town, with each house discharging its refuse by an open channel into the open gutter; but little improvement can be reasonably demanded of the occupants of such dwellings until the Government have undertaken the drainage. Nuisances such as are indicated have become increasingly obvious since the town has had an abundant water supply, without the proper means for relieving itself of the water after use. A large proportion of this water consequently soaks into the ground, and is only too likely to make its presence felt in the sanitary returns. It seems inconsistent to hold rate-payers responsible for doing on a small scale what the Government have done, with the best intentions, on a large scale.

Section 320.—The President may give notice in writing to the owner, if known and within the City, and also to the occupier of any land or premises, to maintain and repair sufficient fences for, or trim the hedges of such land or premises, so that they may not exceed the height of seven feet from the level of the adjoining roadway; and to trim all trees which, by overhanging any public road or street, obstruct the passage or cause damage thereto.

This Section, the Chamber submit, should be compulsory, not permissive. The power of giving such notice to owners, or occupiers of houses, has been vested in the Commissioners for many years, but that it has not been systematically exercised, is proved by the over-grown hedges, the broken fences, and ruined boundary walls, which give an air of decay to the whole neighbourhood. If, as in military cantonments, and in some Mofussil Municipalities, all owners or occupiers of houses were compelled to maintain their fences and hedges in an uniformly good condition, habits of neatness would be inculcated, there would be less opportunity for the growth of

noxious vegetation, there would be fewer hiding-places for venomous snakes, and public health would be benefited. Though Municipal institutions have now been established many years in Madras, it is a common observation among old residents, that the town has a far more dilapidated appearance than it had before the inauguration of the Municipal era. The Municipal Commissioners should be empowered to compel owners of waste pieces of land, or deserted buildings adjoining a public thoroughfare, to keep such land or buildings neat, and should such persons fail to comply with this injunction, the Commissioners should be free to do the needful, and if necessary, recoup themselves by selling the whole or part of the property. The obligations of the rate-payers are minutely defined in the Act, but the responsibilities of the Commissioners to the public are referred to in a very vague manner instead of being stated in terms that admit of no misconception. The Chamber are satisfied that if it were made the special business of some Municipal officer to compel habitual compliance with regulations in this direction that are found to work smoothly in Mofussil Municipalities, presided over by gentlemen who take a pride in the appearance of the towns wherein they reside, the city of Madras might soon be made more worthy of being the seat of the Local Government than it now is.

Section 326.—Whoever keeps any swine, in or near any street, so as in the opinion of the President to be a nuisance, shall be liable to a fine not exceeding ten rupees, and to a further fine not exceeding five rupees for every day after conviction for such offence during which the offence is continued.

The Chamber consider that as there are weighty sanitary objections to the keeping of swine near human habitations, no permission should be granted to anybody to keep such animals within Municipal limits.

Section 341.—The Commissioners may from time to time, with the like sanction, in addition to the bye-laws provided in Part VIII make such bye-laws as they may think fit for all or any of the following purposes:—

(*a*) for the establishment and publication of a price-current, and for prescribing the mode of sale of articles, whether by measure, weight, tale, or piece.

The Chamber recommend the omission of this clause, as they do not consider it obligatory on the Municipal Commissioners to determine current prices, or to regulate the mode in which buyers and sellers shall transact business.

Section 346.—Every person who, without the permission of the President, sells or exposes for sale any article within a public market shall be punished with fine not exceeding fifty rupees for each offence.

The penalty seems to the Chamber to be excessive for so comparatively small an offence. It would probably be sufficient to reduce the maximum to Rs. 10. There are manifest objections to weighting an Act with penalties that it is generally understood will not be enforced.

Section 384.—Any person wilfully neglecting or refusing correctly to fill up and affix his signature or mark to any such (census) schedule or return so left at his place or residence, or who wilfully neglects or refuses to return the same to the enumerator or other such person when called upon so to do, or to furnish the necessary information to such enumerator or person to fill up the same for him if he do not know how to write, shall be liable to a fine not exceeding two hundred rupees, and may also be detained in custody until he correctly fills up and signs, or affixes his mark to the said Schedule or Return.

This Section does not make sufficient allowance for the neglect of ignorant and uneducated persons, who, without any wish to withhold the information sought, may be at a loss to know how or when to supply it. The enumerator would probably be the informer regarding "wilful" neglect or refusal, and it is desirable that too much authority should not be vested in him. An enumerator might easily be vexed by the failure of some poor man to stay at home, at the risk of the loss of a day's wage, in order to give the information needed, and he might be induced to report such a man for intentional neglect. It is not expedient to run the risk of making census operations unpopular by the infliction of fines, or terms of imprisonment, for any small offence. The lower classes of natives cannot be reasonably expected to sympathise warmly with the Government's desire for accurate statistics, and they may be excused for regarding the shadow of the enumerator on their thresholds as the foreshadowing of fresh taxation. Only gradually can they be brought to understand that the Government have no sinister object in view in enquiring about their family concerns. Care is, therefore, needed in inflicting penalties for a reluctance to give information to the enumerator which is probably never asked for by, or given to any other stranger.

Section 406.—The Commissioners or their officers or servants may enter upon the land of any person adjoining to or being within the distance of twenty yards of any works authorized by this Act, for the purpose of depositing upon

such land any soil, gravel, sand, lime, brick, stone or other materials, or for any other purposes connected with the carrying on of such works, without making any previous payment, tender, or deposit.

This Section might be easily made most oppressive to natives, for it permits Municipal officers to trespass upon the seclusion of a household, and to cause the greatest inconvenience to the inmates for an indefinite period. Judging from the frequency with which road-mending material is deposited in heaps, in inconvenient positions, beside public roads, and kept there an unreasonably long time, it is conceivable that overseers of works may not always exercise much consideration for the feelings of private individuals when they take up yards, or gardens, or compounds for the storage of materials. The "compensation," that it is left to the discretion of the Commissioners to pay for the temporary occupancy of such private land, will not perhaps often be found to reconcile native ratepayers to the invasion of their privacy.

In conclusion I am to solicit on behalf of the Chamber, the favorable consideration of His Excellency the Viceroy and Governor General in Council to the opinions that I have now had the honor of communicating.

I have, &c.,

A. MACKENZIE,

Chairman.

Legislative Department, Simla, 26th July 1878.

TO THE CHAIRMAN CHAMBER OF COMMERCE,

Madras.

SIR,—I am directed to acknowledge the receipt of your letter of the 28th June 1878, communicating the opinion of the Chamber on certain provisions of the Madras Municipal Act, 1878, and in reply to inform you that His Excellency the Viceroy and Governor General has seen no reason to withhold his assent from the Act.

I have, &c.,

D. FITZPATRICK,

Secy. to Govt. of India.

B.

THE NEGOTIABLE INSTRUMENTS BILL.

Chamber of Commerce, Madras, 31st July 1878.

To THE CHIEF SECRETARY TO GOVERNMENT,
Ootacamund.

SIR,—I have the honor to acknowledge receipt of the Proceedings of Government, Judicial Department, 13th instant, handing the second Report of the Select Committee of the Viceregal Legislative Council on the Negotiable Instruments Bill, and requesting the opinion of the Chamber on the amended draft.

The Chamber are glad to learn that several of the suggestions which they made in their letter of the 20th December last, to the Hon'ble Whitley Stokes, Legal Member of the Viceregal Council, have been acted upon. They have now examined the Bill in its present form with the draft which was published last autumn, and they are pleased to find that the former seems for the most part to meet the multifarious requirements of commerce in respect to negotiable instruments. There are, however, still some points on which the Chamber are unable to agree with the Select Committee, and I am desired to communicate these for the information of the Viceregal Legislative Council.

It is observed that as to *Local Extent* the Bill still "extends to the whole of British India." The Chamber adhere to their former objection to this limitation. Members of this Chamber have often to deal with negotiable instruments uniform with those indicated by the Bill which are drawn in Europe, or in British India, upon persons resident in Native States, such as Mysore, Cochin, Travancore, and the territories of His Highness the Nizam, or are drawn in those States on residents in British India. The Bill proposes to define authoritatively the law and usage relating to this class of documents, and as it would not trench on the authority, or affect the revenue of Native Governments, and will not "affect any usage relating to any instrument in an Oriental language"

the Chamber consider that it should be extended to all negotiable instruments drawn in British India but payable in such Native States, or drawn in such Native States but payable in British India.

Where amount is stated differently in figures and words.

Section 18.—If the amount undertaken or ordered to be paid is stated differently in figures and in words, the amount stated in words shall be the amount undertaken or ordered to be paid.

The Chamber regret to observe that the objections they offered in November 1867, and December 1877 to this innovation upon commercial usage have failed to satisfy the Select Committee of the need of modifying the Section. The custom is to pay the smaller sum whether it is stated in words or figures, and this is fair to all parties interested in the instrument. By compelling payment of the amount stated in words, fraud is likely to be facilitated. The instrument being irregular and inaccurate, it should not be obligatory on the drawee to pay it; but should he care to take the risk, he should be permitted to pay the smaller sum, however stated, on the face of the instrument.

"At sight."
"On presentment."
"After sight."

Section 22.—In a promissory note or bill of exchange the expressions "at sight" and "on presentment" mean on demand. The expression "after sight" means, in a promissory note, after presentment for sight, and in a bill of exchange, after acceptance or protest for non-acceptance.

The suggestion which the Chamber made in December that the final sentence should run "and in a bill of exchange after acceptance, or noting, or protest for non-acceptance" has not been acted upon. The Chamber are still of opinion that the words "or noting" should be introduced. It is not customary, at all events in this Presidency, to take out a formal instrument of protest when a Bill is not accepted on presentation. The usual course is to have the protest simply "noted" in the usual manner, and should the Bill be further dishonored by non-payment at maturity then to have the formal instrument of protest against all parties made out. It may have been considered in drafting the Bill that the words "protest for non-acceptance" included and covered such noting as the Chamber has alluded to; no doubt the act of noting is merely a commencement or part of the formal act of protest; but the Chamber venture to think that the insertion

of the words suggested above can do no harm, and that their omission may give rise to an idea that a formal act of protest in all cases is required by the Act, instead of the simpler and less expensive form of noting which is usually followed in cases of dishonor on first presentation.

Section 31.—A legal representative who signs his name to a promissory note, bill of exchange or cheque, is liable personally thereon unless he expressly limits his liability to the extent of the assets received by him as such.

Liability of legal representative signing.

The Chamber are decidedly of opinion that this Section, which has been introduced into the new draft of the Bill is unnecessary, for no one would care to negotiate an instrument bearing a conditional acceptance. The extent of the assets entrusted by the principal to his legal representative is a private matter that can hardly be known to the world, and if the representative has occasion to sign his name, as representative, to an instrument, he must do so in the ordinary manner if he wishes to raise money upon it. The representative will probably take care not to run any personal risk in placing himself in funds for his principal, and there is no occasion for the law to intervene for his special protection.

Section 40.—The maker of a promissory note or cheque, the drawer of a bill of exchange until acceptance, and the acceptor are, in the absence of any contract to the contrary respectively liable thereon as principal debtors, and the other parties thereto are liable thereon as sureties for the maker, drawer or acceptor, as the case may be.

Maker, drawer and acceptor principals.

The Chamber are of opinion that this Section lays down the principle that the original parties to a negotiable instrument, viz., the maker or drawer, and the acceptor are primarily liable, while the other parties or endorsers are only liable in the event of the failure of such prior parties to meet the engagements. This the Chamber consider is contrary both to custom, and, they believe, to the law on the subject, and they fear that if the Section as drafted in the new Act passes into law the effect will be to preclude the holder from bringing his action on a dishonored Bill against the party from whom he may have received it, or any previous endorsers until he has attempted to recover from the

original maker, or drawer, or acceptor, or all of them separately, and failed in that attempt. But a bill may be made by a foreign drawer, and duly accepted by a drawee in India, and negotiated in India. If the acceptor fails to meet it the last holder should be entitled to claim on an Indian endorser without the obligation of first demanding payment from the foreign drawer or maker. It is undoubtedly very frequently the custom with financial institutions to negotiate or discount an acceptance merely on the faith of the credit of one of the endorsers whom they may know to be good for the amount, and it has always been, the Chamber believe, ruled that a holder may elect from which of the previous parties to the Bill he shall demand payment in the event of dishonor by the acceptor, or maker in the case of a Promissory note. The Chamber would deprecate any innovation upon this custom. They are aware that especially among native traders it is not unusual for the maker or acceptor of a note to give the use of his name to a payee merely for purposes of accommodation, and to plead when called upon to pay, that he has not received any consideration, and that he should not be called upon to pay until the party to whom the consideration was paid has failed to adjust the claim of the holder. The Chamber would point out that it is impossible for the subsequent party to whom an instrument may be offered for negotiation to enquire into the circumstances under which it was originally made without so much inconvenience and delay as would practically prove a bar to negotiation. The Chamber further remark that it is not desirable that facilities should be offered under which any of the parties to an instrument may even temporarily evade their liability. The principle ought to be that in the event of dishonor by the acceptor the holder may elect which of the other parties he may call upon for payment.

Estoppel against denying capacity of payee to endorse.

Section 45.—No maker of a promissory note and no acceptor of a bill of exchange payable to, or to the order of, a specified person shall, in a suit thereon [by a holder in due course,] be permitted to deny the payee's capacity, at the date of the note or bill, to indorse the same.

The Chamber regret that they must take exception to this Section. Bills are commonly presented for acceptance

without the endorsement of the payee, and it has never been the custom to make enquiry at that stage of the Bill's currency into the endorsements or the capacity of the payee to endorse. The drawee merely accepts in completion of the drawer's instrument, and there is no reason why he should look into the endorsements until the Bill is presented to him for payment at maturity, when he is entitled to claim a valid discharge from the holder; which naturally involves examination into that holder's right to give a discharge; and the Chamber deprecate any legislation which would preclude such acceptor at that stage from claiming valid discharge from the original payee. For example, a Bill might be presented for acceptance made payable to "Mrs. Smith" and it could hardly be expected that the drawee should refuse acceptance, (and in fact the Chamber consider that he would not be entitled to refuse acceptance at that stage) until he were satisfied that "Mrs. Smith" is a widow; but when the Bill is presented for payment it is, the Chamber consider, open to the acceptor to enquire whether Mrs. Smith is a widow, or under coverture, and in the latter event to require the discharge of her husband as well as herself. Similarly, if a Bill were made payable to a minor or to an insane person, or insolvent, the Chamber consider that the fact of the drawee having accepted the Bill should not preclude him from his right to obtain a proper discharge from whoever might be the duly qualified party in connexion with the payee to give such discharge when the Bill is presented at maturity for payment.

Acceptor bound, although indorsement forged.

Section 47.—An acceptor of a bill of exchange already indorsed is not relieved from liability by reason that such indorsement is forged, if he knew or had reason to believe the indorsement to be forged when he accepted the bill.

The Chamber continue to think that this provision is undesirable, for it is hardly conceivable that any honest person would accept an instrument which he knows has a forged endorsement. Were any drawee knowingly to accept an instrument bearing a forged endorsement, he would, the Chamber presume, render himself liable under the Penal Code to prosecution as participating, after the fact, in the attempt to obtain money by forgery, and would be liable for

all loss or damage occasioned to other parties by his criminal participation. It seems, therefore unnecessary to legislate in the present Act for a case which is already fully provided for by existing laws.

Section 55.—If the holder of such an instrument as mentioned in Section 54, delivers it to another person without indorsing it, but with intent to transfer his title thereto, the transferee acquires by such delivery all the rights which the transferor had as holder except the right of negotiation.

Transfer without indorsement.

The Chamber would recommend the omission of this Section, which seems out of place in this Act. The transferee it is stated would acquire by a delivery, with intent to transfer but without endorsement, all the rights of the transferor, except that of negotiation. It would appear, therefore, negotiation being excluded, that the only right which would pass to him would be that of demanding payment. But the right of the transferor in this respect was subject to his proper discharge or receipt, and in the absence of such discharge how could such a transferee, as is described claim payment? Clearly the drawee, or the maker in the case of a Promissory note, would have been entitled to refuse payment in the absence of a discharge by the transferor, and it can hardly be the intention of the Legislature to enact that delivery, without endorsement, but with intent, shall override the evident right of the acceptor, or maker, to have a valid discharge from the party who delivers. It appears to the Chamber that the Section is entirely out of place in this Act. A transferee under such circumstances as are described ought to require the transferor to complete delivery by endorsement in proper course, and in the event of refusal he could sue for specific performance of contract in the usual manner. It was his duty to see at the time of delivery that a proper transfer or endorsement to him was made, and it would not be fair to relieve him from the consequences of his negligence in this respect, by requiring the acceptor or maker to pay without a sufficient discharge, and on separate evidence of delivery and intention to transfer which would not appear on the instrument which is his record and voucher for payment.

Section 59.—The indorser of a negotiable instrument may, by express words in the indorsement, restrict or exclude the right of the indorsee to negotiate the instrument, although the instrument was, at the time of such words being written, payable to the bearer thereof.

Negotiability may be restricted or excluded.

The Chamber do not approve of this Section. The drawer of the instrument having made it payable "to bearer" it is not competent to any holder to alter his instruction to the drawee, and to completely change the character of the document as originally issued. Take the case of a Currency or a Bank Note, payable to bearer. Under the above Section it should be in the power of any holder to limit its circulation by endorsing such Note to some individual. Government would never permit private parties thus to limit the negotiation and circulation of their currency notes, and why should they enact that holders of instruments drawn by private parties should have a power of annulling the intentions of the makers of those instruments, which would not be permitted in the case of the instruments issued by the State?

Section 65.—No writing on a negotiable instrument is valid for the purpose of negotiation if such writing purports to transfer only a part of the amount of the instrument.

Indorsement for part of sum due.

This Section would prevent the negotiation of the balance remaining due on an instrument, say a promissory note, payable by instalments part of the principal of which had been paid. The Chamber consider there is no occasion to prohibit the negotiation of such balance.

Section 72.—A promissory note, payable at a certain period after sight, must be presented to the maker thereof for sight, by a person entitled to demand payment, within a reasonable time after it is made and in business hours on a business day. In default of such presentment no party thereto is liable thereon to the person making such default.

Presentment of promissory note for sight.

The Chamber suggest that the words "by a person entitled to demand payment" should be omitted. A note may be presented for acceptance by a party who is not the payee, or entitled to demand payment, as, for example, by the Bankers of the payee of an unendorsed draft.

Section 73.—The drawee of a bill of exchange presented to him for acceptance may retain the same until the end of twenty-four hours, or until the next post to the holder, whichever first happens, to consider whether he will accept it.

Drawee's time for deliberation.

Explanation.—In calculating the twenty-four hours mentioned in this section, public holidays shall be excluded.

The Chamber observed in December that the drawee should be bound to accept it from the day when the Bill was presented to him for acceptance. The Section, however, gives each drawee an extra day. The Chamber would further point out that failing such obligation on the drawee he would be entitled when an instrument is presented for acceptance in the afternoon before the commencement of a long term of holidays, say for example the Christmas holidays, to accept only from the day after the termination of those holidays, or in other words the holder would lose so many days interest on the amount of the Bill by the putting off of the date of maturity.

Presentment for payment of promissory note payable by instalments.

Section 77.—A promissory note payable by instalments must be presented for payment on the third day after the date fixed for payment of each instalment; and non-payment on such presentment has the same effect as non-payment of a note at maturity.

This Section does not materially differ from Section 88 in the former draft to which the Chamber objected on the ground that there is no occasion for subjecting the holder of an inland promissory note to the inconvenience of sending the note for repeated authentication at the risk of losing the document *in transitu*. The procedure required by the Section would be most perplexing, and it will rarely happen that the holder of a Bill possesses the requisite machinery for carrying it out. The maker or makers of very many promissory notes payable by instalments reside in distant stations in the Mofussil, often in places where there is no reliable agency through which the note could be presented to such maker or makers. The alternative would therefore be to send the note by post and to the maker himself, as the only means for presentment. This would be clearly impossible. The Chamber would also remark that it is by no means an invariable custom to make instalments payable on a particular day of a month; it is far more usual to stipulate merely for monthly instalments of a certain amount.

Interest when rate specified.

Section 89.—When interest at a specified rate is expressly made probable on a promissory note or bill of exchange, interest shall be calculated at the rate specified, on the amount and from the date of the instrument, until tender or realization

of the amount due thereon, or until such date after the institution of a suit to recover such amount as the Court directs.

The Chamber fail to see the utility of this Section, for it seems to make a party liable for the full interest on the full amount of an instrument after part of the principal has been paid. Provision should be made for the payment of interest on the balance remaining due on an instrument that is payable in instalments.

Section 93.—If the holder of a bill of exchange allows the drawee more than twenty-four hours to consider whether he will accept the same, all previous parties not consenting to such allowance are thereby discharged from liability to such holder.

Discharge by allowing drawee more than twenty-four hours to accept.

This Section does not seem suited to India. Many bills of exchange are sent from England and elsewhere drawn upon parties in outstations in the Mofussil, where the only means of presentation is through the post, and under such circumstances the holder has no power to prevent the drawee detaining the Bill. This Section is probably taken from some English Act, and though it is applicable to a busy and well organized community the conditions of life and trade in India, and the comparative isolation of many parties who may be concerned in instruments dealt with by the Bill under review do not justify hard and fast rules which are only applicable to more settled communities, or at all events to the main centres of trade in India. In connection with this Section the Chamber invite the attention of the Select Committee to their former recommendation that provision should be made to legalise the sending of a true copy of a bill of exchange for acceptance where the drawee resides at a distance from the holder of such Bill. Even with the use of copies much difficulty is experienced in dealing with up-country drawees, and the inconvenience and risk will be greatly enhanced, without any advantage to any but dishonest persons, by the necessity of sending originals in all cases to remote localities.

Section 97.—Save as provided in Sections 20, 57, 96 and 131, any material alteration of a negotiable instrument renders the same void as against any party thereto at the time, and not consenting to such alteration, unless such alteration was made in order to carry out the common intention of the original parties.

Effect of material alteration.

This Section which seems to be at variance with Section 59, above referred to, gives support to the Chamber's argument

that the intention of the original party as expressed on the face of the instrument when he executed it cannot be modified materially by any holder. The alteration of the payment of an instrument from "to bearer" to some individual named by an endorser is a "material alteration" of sufficient importance to be included in the alterations defined in the Explanation to this Section.

I remain, &c.,

A. MACKENZIE,
Chairman.

C.

THE IMPERIAL LICENSE TAX.

Chamber of Commerce, Madras, 8th March 1878.

To THE CHIEF SECRETARY TO GOVERNMENT,
Fort St. George.

SIR,—I have the honor to hand herewith—

(1.) A memorial from the Chamber to His Grace the Governor in Council, relative to the Madras License Tax Bill now before the Legislative Council.

(2.) A memorial from the Chamber to the Most Noble the Marquis of Salisbury, Secretary of State for India, relative to the new taxation.

I am to ask you to be so good as to have the former presented to the Legislative Council, and the latter forwarded to the Secretary of State by to-morrow's Overland Mail.

Copies of the two memorials accompany this letter.

I have, &c.,

A. MACKENZIE,
Chairman.

Chamber of Commerce, Madras, 8th March 1878.

To HIS GRACE THE GOVERNOR IN COUNCIL,
Fort St. George.

The Humble Memorial of the Madras Chamber of Commerce.

RESPECTFULLY SHEWETH,—That your Grace's Memorialists have observed the draft in the *Gazette* of "A Bill for Licensing Trades, Dealings, and Industries in the Presidency of Madras," which has been introduced into your Grace's Legislative Council.

That without entering in this representation into the question of the unequal incidence of the new form of taxation, your Memorialists beg to submit that the Bill before your Grace's Council infringes a pledge of the Government of India, and that on this account your Memorialists respectfully protest against its being passed into law.

That on the 28th December last the Finance Minister, speaking at the meeting of the Viceregal Legislative Council, said, with reference to the Northern India License Bill: "The highest amount which under any circumstances any individual or company can ever be called upon to pay annually will be Rs. 200. The lowest fee of all is Re. 1. These will be the maximum and minimum rates in every Province, but the details of classification will necessarily vary."

That in accordance with this pledge of the Government of India, the maximum rate demanded in Bombay under the Local License Act is Rs. 200.

That your Memorialists learn from the Schedule attached to the Bill before your Grace's Legislative Council that the annual taxes proposed to be levied are as follows:—

From persons whose annual earnings are:—

Rupees	40,000 and upwards			...	...	...	Rs.	800
,,	35,000 and less than			40,000	...	...	,,	700
,,	30,000	,,	,,	35,000	...	...	,,	600
,,	25,000	,,	,,	30,000	...	...	,,	500
,,	20,000	,,	,,	25,000	...	...	,,	400
,,	15,000	,,	,,	20,000	...	...	,,	300

That the following statement shows the rates which it is proposed to levy in Madras and those that are about to be levied in Bombay:—

		Madras.	Bombay.
On Class	I	800	200
,,	II	700	150
,,	III	600	100
,,	IV	500	80
,,	V	400	60
,,	VI	300	40
,,	VII	200	30
,,	VIII	100	25
,,	IX	50	20
,,	X	25	15
,,	XI	10	10
,,	XII	4	7
,,	XIII	...	5
,,	XIV	..	3
	XV	...	2

That your Memorialists respectfully represent that the taxes proposed to be levied in the Madras Presidency are not in accordance with the orders of the Government of India.

That, under these circumstances, it is not necessary for your Memorialists to do more than ask that the Schedule attached to the Bill before your Grace's Legislative Council may be withdrawn, and replaced by a Schedule in accordance with the directions of the Government of India.

And, as in duty bound, your Memorialists will ever pray.

(Signed on behalf of the Madras Chamber of Commerce.)

A. MACKENZIE,
Chairman.

C. A. LAWSON,
Secretary.

Chamber of Commerce, Madras, 8th March 1878.

TO THE MOST NOBLE THE MARQUIS OF SALISBURY,
H. M.'s Secretary of State for India.

The Humble Memorial of the Madras Chamber of Commerce.

RESPECTFULLY SHEWETH,—That your Memorialists, who are engaged in the Commerce of Madras, beg most respectfully to enter a protest against the unjust incidence of the Imperial License Tax.

That your Memorialists, being well aware that the ordinary revenue of the Indian Empire is inadequate to meet the expenditure incurred by the recent famine in Southern India, admit that cogent reason has been shewn by the Government for levying a special tax to meet that outlay.

That your Memorialists are willing to bear their fair share of the new burthen which the Government have been constrained to impose on the country; but they feel bound to demur to the invidious exemption from liability to the tax which has been conceded to servants of the State, and to all occupations and professions excepting agriculture and commerce.

That it appears to your Memorialists inequitable to require the classes upon whose industry and enterprise the material prosperity of the country chiefly depends to sustain the whole of the cost of the late famine, as well as the whole weight of the "premium of insurance" against famines in the future.

That your Memorialists have reason to believe that the Government of India have been influenced by the theory of the Finance Minister, expressed at the meeting of the Viceregal Legislative Council, on the 28th December last, that the profits on the rice trade of the year just ended were not less than Rs. 40 a ton, and represented in the aggregate a clear gain to the trading classes of six millions sterling.

That, in your Memorialists' opinion, this surmise gives a most fallacious view of the nett results of a trade, the bulk of which passed under their personal observation, and that the Government of India should have been more on their guard against accepting an untenable theory of this nature as a plausible excuse for taxing the classes who are alleged to have realised this fabulous amount.

That the Finance Minister's argument is, that as Agriculture, Trade, and Industries generally have, in his opinion, benefited largely from the high prices current during the late famine, the classes engaged in such occupations are well able to bear the special taxation necessitated by famine, while the official and professional classes may fairly be exempted on the ground that they have derived no advantage from the calamity. That without dwelling on the unreasonableness of regarding lawyers, doctors, and civil engineers as the recipients of "fixed incomes," your Memorialists would remark that the Finance Minister has ignored the enormous detriment inflicted on the commerce of this Presidency by the drought. That while the failure of the rains gave an extraordinary impetus to the trade in grain, it caused disastrous consequences to other branches of trade. That, for example, during 1877 the quantity of Cotton shipped from Madras ports was but one-seventh of the quantity shipped in 1874 or in 1875, and that the trade in Indigo, Seeds, and other staples was practically in abeyance.

That, further, the destitution resulting from the famine paralysed import trade, must seriously affect it for some considerable time to come.

That, therefore, the hypothesis that traders have been enriched by the high prices of grain overlooks the circumstance that they have had to sustain serious losses from the stagnation in the foreign export and import trades, and also from the heavy fluctuations in the grain market. And that whatever profits may have been realised in the grain trade have not been participated in by the great majority of persons on whom the new tax falls.

That if, on the ground urged by His Excellency the Viceroy, officials who were engaged, as part of their public duties, in relieving the distress of the people during the famine are fairly entitled to the consideration of the State in the new scheme of taxation, the class that has poured the food that was required into the famine districts, and has incurred all the risk and labor of so doing, may also be considered to have deserved well of the State, since without commercial intervention all the official agency employed must have failed to prevent a greater calamity than has occurred.

That your Memorialists, both as merchants, and as long residents in an unofficial capacity in India, venture to take objection to the assumption which runs through the whole of the speeches delivered by members of the Viceregal Legislative Council in the debates on the new taxes, that further retrenchment of official expenditure is impossible. That your Memorialists assert that this assumption is not borne out by their personal knowledge of the large establishments maintained at the public expense, the expenditure on public works of no obvious present or prospective utility, and the retention of high salaried appointments long after the necessity for their continuance has passed away.

That as the Government of India have challenged public opinion, it is competent to your Memorialists to express their conviction that the expense of the administration of this country has not been nearly reduced to the minimum con-

sistent with efficiency. That especially in connection with the allowances of the higher classes of officials is there room for judicious retrenchment. That the finances of the Empire are declared to be in a chronic state of embarrassment, and the time has passed for paying officials the salaries that may have been necessary in former days to induce suitable men to expatriate themselves. That India having ceased to be a *terra incognita*, and having been relieved of much of its former character for unhealthiness, discomfort, and risk, the scale of official remuneration should be re-adjusted with due regard to the state of the labor market in Europe, and especially with regard to the inability of India longer to afford official emoluments that have never been paralleled elsewhere.

That, in your Memorialists' opinion, the large portion of the community which is affected by the new taxes would bear the burthen more cheerfully if they saw that those who imposed that burthen were not themselves devoid of a patriotic and generous desire to bear their own fair share of it. That it is vain to expect the public to respond cheerfully to demands on industry when those demands are not supported, either by evidence that the Government have done all in their power to reduce expenditure to a practicable minimum, or by a clear forecast of the purpose to which the money when obtained will be applied.

That the statement in Council of His Excellency the Viceroy, that "the European community in India, non-official as well as official, is a very hard-working and certainly not a wealthy one," is only too true with regard to non-officials, and all but the higher ranks of officials; but your Memorialists, who are Europeans, do not wish to be treated with a consideration that would be invidious if not extended to natives who are also non-officials.

That your Memorialists take objection to the assertion of the Finance Minister that the "strongest of all justifications" for taxing the commercial and trading classes is that "they now pay almost nothing towards the expenses of the State," for it seems to your Memorialists problematical whether the

State could be carried on at all if it were deprived of the revenue it derives, directly and indirectly, from the trade of the land.

That your Memorialists admit with the Finance Minister that the "classes on which as a whole the pressure of actual famine falls ought to contribute for their own protection," but they dissent from his inference that they ought also to pay for the protection of other classes, and least of all for those classes which are the best able to contribute to the expenses of the State.

That it seems to your Memorialists inconsistent and harsh to impose an inquisitorial license tax, which is a veiled income tax, upon the trading classes, and to exempt officials and professional men from the impost on the ground that, were they liable to it, an income tax would be imposed on the whole community; but that if valid objections can be shewn for not taxing the incomes of the most affluent classes in the community, they may be also applied in support of the argument for exempting other classes from that obnoxious form of taxation.

That your Memorialists cannot therefore admit with His Excellency the Viceroy that the new taxes are entitled to the "modest merit of an equitable distribution of famine charges between the two great classes of the community who are collectively best able to bear them, and on whom such charges most reasonably fall." It seems to your Memorialists as inexpedient as it is unjust to claim for the official and professional classes in this country, who may be said to represent the local aristocracy of wealth, a right to be exempted from taxation for Imperial purposes, which has never been claimed for the same classes in England, and which is not sanctioned by the personal practice of Her Majesty the Queen.

That your Memorialists have peculiar reason to complain of the unequal incidence of the new impost since a Bill has been introduced into the Madras Legislative Council, No. 6 of 1878, in which it is proposed to levy a tax in this Presidency varying from a minimum of Rs. 4 to a maximum of Rs. 800 per annum.

That your Memorialists have represented to his Grace the Governor in Council that the Schedule of rates in the local Bill is opposed to the wishes of the Government of India, which were stated in the following words by the Finance Minister in the Viceregal Legislative Council, on the 28th December, with reference to the Northern India License Bill: "The highest amount which under any circumstances any "individual or company can ever be called upon to pay "annually will be Rs. 200. The lowest fee of all is Re. 1. "These will be the maximum and minimum rates in every "Province, but the details of classification will necessarily "vary."

That your Memorialists have begged his Grace the Governor in Council to consider the following statement, which contrasts the rates proposed to be levied in Madras with those about to be demanded in Bombay:—

		Madras.	Bombay.
On Class	I	800	200
,,	II	700	150
,,	III	600	100
,,	IV	500	80
,,	V	400	60
,,	VI	300	40
,,	VII	200	30
,,	VIII	100	25
,,	IX	50	20
,,	X	25	15
,,	XI	10	10
,,	XII	4	7
,,	XIII	...	5
,,	XIV	...	3
,,	XV	...	2

That as your Memorialists are sanguine that the very serious errors in the scale of rates in the Madras Schedule, to which they have above referred, have only to be brought to the notice of His Grace the Governor in Council to be rectified, they have addressed a Memorial to his Grace to that effect. But should a favorable response not be accorded to their prayer, that the Schedule attached to the Bill may be withdrawn and replaced by one in compliance with the pledge of the Government of India, your Memorialists hope that the irregularity may be discountenanced by your Lordship in Council.

And your Memorialists pray that, for the reasons above stated, your Lordship in Council will be pleased to withhold

your assent from the proposed concession to the official and professional classes.

(Signed on behalf of the Madras Chamber of Commerce.)

A. MACKENZIE,
Chairman.

C. A. LAWSON,
Secretary.

ORDER THEREON, 16th March 1878, No. 53.

The Memorial addressed to the Governor in Council, received with the foregoing letter, will be brought under the consideration of the Council, pursuant to Rule 15 of the Rules for the conduct of the legislative business of the Council.

2. The Memorial addressed to Her Majesty's Secretary of State for India will be forwarded through the Government of India.

D. F. CARMICHAEL,
Chief Secretary.

Extract from Despatch from the Secretary of State to the Government of India dated — June, published in the newspapers.

It is obvious that under the extraordinary financial pressure which has arisen from the famine, the Government must have recourse to unusual expedients to enable the exchequer to meet the various demands made on the resources of the State. I have expressed my approval of the principle of the measures adopted to restore the equilibrium between income and expenditure, but the objection of the Madras Chamber of Commerce is especially directed against certain details in the Madras License Bill. I do not consider it would be expedient for me to discuss these details. Experience can alone suggest what modifications should be made in the financial legislation of the three Presidencies. When the time comes for reviewing the measures recently passed, the objections of the Madras Chamber of Commerce will, I am confident, receive our fullest consideration.

Legislative Department, Ootacamund, 4th September 1878.

To the Chairman Chamber of Commerce,
Madras.

Sir,—Referring to your letter of 8th March last, forwarding a Memorial from the Chamber to the Secretary of State relative to the License Tax, I am directed by His Grace the Governor in Council to inform you that a despatch has been received in which the Secretary of State observes that he has approved the principle of the measures adopted to restore the equilibrium between income and expenditure; and, remarking that the objection of the Chamber of Commerce is essentially directed against certain details in the Madras Licence Bill, states that he does not consider it would be expedient for him to discuss these details, and adds that experience can alone suggest what modifications should be made in the financial legislation of the three Presidencies.

I have, &c.,

C. G. Master,
Acting Chief Secretary.

D.

THE MUNICIPAL LICENSE TAX.

Chamber of Commerce, Madras, 12th February, 1877.

To his Grace the Governor in Council,
Fort St. George.

The Humble Memorial of the Madras Chamber of Commerce.

Respectfully Sheweth,—That your Memorialists have been informed, that at the meeting of your Grace's Legislative Council, on the 6th instant, the following proviso and note of the Madras Municipal Bill were considered; namely:—

"Proviso.—That any Company of the class of A. B. C. and D. the head office, or a branch or principal office of which shall not be in Madras, but whose business therein shall be conducted by a general agent or agency Firm, and which shall show that its gross income received in or from Madras shall not in the last year have exceeded the sum of

Rs.	25,000	shall pay	Rs. 250
,,	15,000	,,	,, 150
,,	5,000	,,	,, 50

"NOTE.—Whenever a joint stock company, or trading firm has an agent, manager, secretary, or some other firm to represent it in the city, with or without a distinct office or establishment, such agent, manager, secretary, or other firm shall be liable for the taxes payable under this schedule by such joint stock company, or by the members of such trading firm, independent of the tax payable by the agent, manager, secretary or some other firm as such."

That your Memorialists being deeply interested in the proposed proviso, beg to deprecate its adoption.

That, in the opinion of your Memorialists, it is inequitable and unprecedented to require a merchant to pay a tax to the Municipality for the special privilege of carrying on the business of a merchant, and subsequently to demand a Municipal tax for each integral part of such business.

That your Memorialists are aware of the insolvent state of the Municipal exchequer, but they adhere to the opinion they have expressed on former occasions, and which is shared by all classes of the community, that this chronic state of insolvency is to a great extent due to a defective system of collection and administration of Municipal funds.

That the adoption of the proviso above quoted would call for the habitual exercise on the part of the Municipal executive of the very qualities of which by general consent they already stand deplorably in need.

That your Memorialists need not remind your Grace's Council of the objections to the Income Tax, more than to say that the inquisitorial nature of that impost is trifling as compared with the right that it is proposed to confer upon the subordinates of the Municipal Office to pry into the private affairs of the mercantile community.

That your Memorialists see no objection to any Company, registered under the Indian Joint Stock Company's Act, and which has either its Head Office, or a distinct branch—that is, a branch engaged within the limits of the Municipality exclusively in the Company's business—being required to pay a Licence Tax to the Municipality; but that they emphatically protest against holding a Company not so represented, but represented merely by a house of agency, or firm, or bank, similarly liable.

That it seems to have escaped the observation of your Grace's Council, that many a Company whose Head Office is

in some other part of India, or in Europe, is merely nominally represented in this city, and far more for the convenience of the trade of this Presidency than for any appreciable profit to the Company, as only at long intervals is business of a slightly remunerative nature locally transacted on its behalf.

That your Memorialists notice that according to the proviso any Company locally represented, whose local income in the last year did not exceed Rs. 5,000, shall pay Rs. 50. Many instances may be cited of Companies locally represented, whose local income in a given year did not exceed Rs. 100, or even where no local income whatever is earned, and yet such Companies would still have to incur the expense of Rs. 50 for the privilege of being locally represented.

That it may be contended that as such Companies have only a nominal status in this City, there will be no reasonable ground for regret should the harsh provisions of the new Municipal Bill drive them away from Madras to places where more just consideration is shewn to such associations. That in reply to this, your Memorialists respectfully urge that the commercial prestige of Madras must directly suffer from so unprecedented an exodus; that this city is far from being so affluent, and its commercial prospects are far from being so bright, as to render your Memorialists indifferent to the loss of such prestige; and that they feel it will be matter for great regret if the outside world learns that trade is so fettered by local burthens in Madras, that it is not worth the while of any small concern to have business relations with the town.

That your Memorialists invite your Grace's Council to consider what would be the opinion of the Government and community of India, if the Municipalities of London, Liverpool, Manchester, and other cities, to which the bulk of Indian exports go, were to adopt a similar proviso to that under reference, and to exact from all firms, or banks, representing Indian firms or banks a license tax for each and every of such firm's or bank's constituents in India.

That if it be reasonable to call upon Messrs. X. and Co. in Madras to reveal the name of Messrs. Y. and Co. in Manchester, who shipped them Manchester goods; and if it be just to tax

Messrs. Y. and Co. through Messrs. X. and Co. for Madras Municipal purposes, there can be no valid reason against the Liverpool Municipality similarly taxing Messrs. X. and Co. through Messrs. Z. and Co. of Liverpool in respect of shipments of Madras cotton made by Messrs. X. and Co. to Messrs. Z. and Co.

That so long as this novel method of increasing Municipal income has not been, and is not likely to be seriously entertained in Calcutta, Bombay, and other cities, it would be a manifest injustice to Madras to weight its trade with an impost that would give its commercial rivals an advantage over it.

That the knowledge of mercantile routine possessed by your Memorialists enables them to affirm that it will be found in practice impossible for the Municipality to give full effect to the proviso, except perhaps by such great expenditure in scrutiny and collection, as your Grace's Council do not probably anticipate. That a maximum of annoyance will be incessantly caused to mercantile firms and banks, but it is exceedingly improbable that the financial results will meet the expectations of the Council.

That, in conclusion, your Grace's Memorialists beg respectfully to remonstrate against the injustice and impolicy of the proposed taxation, and to record their conviction that no financial emergency of the Municipality can justify so signal a departure from the attitude assumed by legislatures towards commerce in every other City of the British Empire. That they do not demur to paying their own fair share of the additional taxes required; but they contend that to tax trade in the manner proposed would be seriously to discourage instead of encouraging the trade of this City, and would directly militate against the interests of the whole Presidency.

That on these, as well as on other grounds which your Memorialists refrain from mentioning, for fear of carrying this Memorial to an inconvenient length—for which reason also they have not given instances of the manner in which the various interests concerned would be individually affected by the tax—your Memorialists pray, that the proviso may not be incorporated into the Bill under consideration.

And, as in duty bound, your Memorialists will ever pray.

Signed in the name, and on behalf of the Madras Chamber of Commerce.

A. MACKENZIE,
Chairman.

C. A. LAWSON,
Secretary.

Extract from the Proceedings of the Madras Legislative Council, on the 13th day of February 1878.

The Assistant Secretary reported, for the consideration of the Council, the following petition:—

From the Chamber of Commerce, Madras, dated 12th February 1878—

This petition was ordered to be printed and circulated.

MADRAS MUNICIPAL BILL.

Schedule A.—On the Assistant Secretary submiting to the Council Schedule A of the Bill, revised in accordance with the instructions given at the last meeting, so as to include all classes of trades and industries, a discussion ensued on the scope of the proviso attached to Clauses A, B, C, and D of the Schedule proposing to give companies, not represented by a special office or agent in the city, the benefit of being taxed in certain reduced amounts on their gross earnings, in lieu of their nominal capital, with especial reference to the representation of the Chamber of Commerce on the impolicy of calling upon absent companies and trading firms to pay a tax of 50 Rupees for doing an occasional business in the city, the returns from which might be of comparative insignificance.

The Hon'ble Mr. Hudleston was in favor of exempting from taxation absent companies and firms doing what might be considered only occasional business in the city and earning but small returns. He did not think that a company like the British India Steam Navigation Company, whose business was large, regular, and continuous, should be exempted. But with respect to the exceptional kind of business he referred to, he suggested the case of a Marine Insurance Company asking a firm or person in Madras to take risks for them. That might be

only occasional business, and it would be difficult to estimate the returns for the purposes of taxation, because these risks, though taken by one firm here, were actually under-written by more than one Insurance firm or company and afterwards distributed among them; and the question really was, was it worth while that such occasional business done by local firms for firms in England should be taxed for municipal purposes.

As to the suggestion that it would be difficult to estimate the earnings of companies in the position referred to, His Grace the President remarked that that was not a question for consideration; because, according to the principle of the Schedule, companies and firms were to be taxed according to the class in which they were placed by the Commissioners; and it was open to them, if they conceived themselves to be overtaxed, to show cause why they should be relieved from such overtaxation and obtain the benefit of the proviso providing for reduced taxation on actual earnings, which they would themselves know and be able to prove.

On the question being further discussed, in which all the Members of the Council took part, it was unanimously resolved that companies showing that their actual earnings did not exceed Rupees 2,500 per annum should be exempted from taxation altogether. In pursuance of this resolution, the following amendments were directed to be made in the revised Schedule A:—

The words "and that if any such company shall show that such gross income has not exceeded Rupees 2,500, such company shall be exempt from taxation" to be added at the end of the first proviso following Clauses A, B, C and D; and

In the second proviso attached thereto—being the note originally attached to the Schedule making an office agent or firm representing an absent company liable for the taxes—the words "or other trading firm" after "company" to be omitted; and the words "for the purpose of carrying on business" to be introduced between the words "or firm to represent it" and "in the city."

Certain verbal alterations suggested by the Advocate-General in the revised Schedule were also ordered to be carried out.

REVISED SCHEDULE A.

Tax on Arts, Professions, Trades, and Callings.

Class I.	*Yearly.* Rs.
(A)—Joint-Stock Companies and other Companies carrying on any trade or business having gain for its object, or as Benefit Societies, and the capital of which exceeds 20 lakhs of Rupees	500
(B)—Joint-Stock Companies of any of the descriptions mentioned in Division (A) of this class, the captial of which exceeds 10 lakhs, but does not exceed 20 lakhs of Rupees	350
All persons holding any office or appointment, public or private (not being a military office or appointment), or employed in any capacity upon a salary of Rupees 5,000 a month or upwards...	250
(C)—Companies of any of the descriptions mentioned in Division (A) of this class, the capital of which is more than 5, but does not exceed 10 lakhs of Rupees	200
(D)—Companies of any of the descriptions mentioned in Division (A) of this class, the capital of which is more than 3, but does not exceed 5 lakhs or Rupees	150

Provided that any Company described in Division (A), (B), (C), or (D) of this class the head office or a branch or principal office of which shall not be in Madras, and which shall show that its gross income received in or from Madras shall not in the year immediately preceding the year of taxation have exceeded the sum of

Rupees 25,000, shall pay only Rupees 250
„ 15,000, „ „ „ 150
„ 5,000, „ „ „ 50;

and that if any such Company shall show that such gross income has not exceeded Rupees 2,500, such Company shall be exempt from taxation.

Provided also that whenever a Joint-Stock Company has an office, agent, or firm to represent it for the purpose of carrying on business in the City, such office, agent, or firm shall be liable for the taxes payable under this Schedule.

E.

COFFEE THEFTS PREVENTION BILL.

Chamber of Commerce, Madras, 11th February 1878.

To His Grace the Governor in Council,
Fort St. George.

The Humble Memorial of the Madras Chamber of Commerce.

Respectfully Sheweth,—That your Memorialists desire to do themselves the honor of submitting to your Grace for the consideration of the Council for making Laws and Regulations, some remarks on No. 3 of 1878 a "Bill to Prevent Thefts of Coffee."

That with reference to Section 2, your Grace's Memorialists are desirous of learning whether Coorg and Mysore will be brought within the scope of the proposed Act.

That it seems to your Memorialists that such an Act is peculiarly needed in those provinces.

That your Memorialists observe from Section 3, that no exemption from the operation of the Act is made in favor of owners of estates. That it would seem that such owners will not be at liberty to sell the produce of such estates in India, or even the stripping or refuse that may not be worth shipping, without first procuring a license. That such a prohibition must affect not only proprietors of large estates, but also the native owners of every little coffee garden in the coffee-growing districts.

That it seems to your Memorialists there is some inconsistency in demanding a license fee from the owner of a quarter of an acre of coffee identical in amount with what is demanded of the owner of an estate which yields hundreds of tons of coffee. That your Memorialists do not gather from the Bill, whether it will or will not be obligatory on all absentee owners of estates in coffee-growing districts to take out licenses before they can sell their crops to dealers in those districts; and that they fail to learn whether persons resident out of those districts will have to take out licenses before they can buy coffee from licensed owners of estates in those districts.

That your Memorialists observe from Section 4, that the licenses are to run from the 1st January to the 31st December. As the coffee season is in full activity from October to May, and the expiry of licenses in the middle of the season would be found inconvenient, your Memorialists suggest that the licenses should run from the 1st July to the 30th June.

That your Memorialists learn from Section 8, that no licensed dealer may buy "green coffee" from any other than a licensed dealer, and from Section 9, that any cooly maistry, &c., employed on a coffee estate found in possession of "green coffee" and failing to account satisfactorily for such possession will be liable to certain penalties.

That your Memorialists do not clearly understand what is intended by the term "green" coffee since the ripe berry is red not green, and stolen coffee will usually be found to

be either in the dried cherry, or in parchment. That your Memorialists are disposed therefore to consider that Section 8 is superfluous since the previous sections prohibit dealers from purchasing "coffee" from any but licensed sellers, and the word "coffee" would include all conditions of the article.

That in Section 9, reference is made to "any cooly maistry or other laborer employed on a coffee estate"; but no notice is made of the fact that there are many people in the coffee districts not employed on estates who are, it is believed, engaged in coffee stealing. That your Memorialists consider, therefore, that all persons found with coffee in their possession for which they cannot satisfactorily account shall be liable to the penalty mentioned in this section.

That as coffee is stolen from estates either in the ripe cherry, or in parchment from the drying lofts, your Memorialists deprecate the use of the term "green" in this Section, for they assume that it is not the petty thefts of green coffee in particular, but of coffee in general that the Bill is designed to check.

That in Section 11, it is provided that "no coffee shall be gathered, moved, loaded or unloaded in any estate between sunset and sunrise." That your Memorialists suggest that this limitation of working hours might on occasions be found detrimental to the interests of planters, for when crop is heavy it is customary to pay coolies not by the day, or task, but on the quantity they pick. The gangs work as long as there is light, and have then to carry their pickings to the pulping house (often a long distance), and it is always a late hour of the evening before all the day's work can be measured and taken into store, and the record of each coolie's picking (and day's earnings) noted down. Coolies are ordinarily, and as a usual and necessary custom, required to work after sunset, in moving the picked coffee from the field, in measuring the quantity picked, or in loading carts or bullocks; while cartmen, &c., often leave the estates before sunrise.

That your Memorialists observe that the Act provides no fresh remedy against the pilfering of coffee by cartmen and boatmen in transit. The robbery that occurs between the estates and the coast is, on a large scale, and it is difficult to re-

cover in the Civil Courts from the carriers for coffee short delivered. That in view to this your Memorialists suggest the introduction of a provision into the Act somewhat to the following effect:—

"That when any person who has contracted for the carriage of coffee from a consigner to a consignee, fails to deliver the quantity he has acknowledged to have received, the consignee may lay an information before the nearest Magistrate, and such Magistrate on being satisfied as to the correctness of the complaint, may order the carrier to pay the value of the coffee short-delivered, together with a fine of at least an equal amount."

And your Memorialists as in duty bound ever pray.

Signed in the name, and on behalf of the Madras Chamber of Commerce.

A. MACKENZIE,
Chairman.
C. A. LAWSON,
Secretary.

☞ At the meeting of the Council on the 13th February the above Petition was ordered to be printed, and referred to the Select Committee on the Bill.

Ootacamund, 10th May 1878.

TO THE HONORABLE W. HUDLESTON,
Member of Council,
In charge of proposed "Bill to prevent Thefts of Coffee."

SIR,—In reference to the Act entitled "A Bill to prevent thefts of Coffee," we have the honour to report that the proposed measure has received the careful consideration of the Associations, whose names are attached, and we have to thank the Governor and Council of Madras, for a law, which, with the few alterations and additions we would now recommend, will do much to improve the position of the Coffee Planters of Southern India.

We note that a memorial on this subject has been forwarded from the Madras Chamber of Commerce, and while approving many of the suggestions and remarks made therein, regret that others are not of a nature to recommend themselves to practical agriculturists. We would propose here to take in order the points which seem to us in most need of improvement.

Sections 3 *and* 4.—We understand here, that beside *bona fide* growers, only such Native tradesmen, as the traffic of the place may seem to the Magistrate, to require will be licensed

to deal in coffee, but we think that the large coffee stealing trade of the country will, by the operation of this Act, pass away from the Bazaar people, to the cultivators of small patches of coffee, or those who will purposely plant, or cultivate a few trees, in order to obtain a license, and thus take advantage of any defect in the Act, or the working of it by the Police which may hereafter appear. We would therefore advocate the raising of the license fee to a sum of at least Rs. 10, on the understanding that such funds shall be used in giving rewards for information leading to conviction of offenders under the Act, and for other purposes connected with the object in view. Exception has been taken to the fact that owners of estates will have to take out a license before any portions of crop, however small, can be disposed of, but we cannot see that there can be any good objection to *all* owners of property or merchants dealing in coffee being called on to take out a License, and the stripping and refuse of crop are just the portions which most frequently suffer loss.

With regard to the date (31st December) proposed for the termination of the license, we would remark that no more unsuitable one could have been fixed on, as crop operations are then at their height, and advantage might possibly be taken of the temporary absence of the Licensing Magistrate, on the part of the dishonestly inclined, whilst inconvenience might easily result to the European planter. In our opinion from the 1st July to 30th June would be the most suitable date to fix.

Sections 8 *and* 9.—We think that in these sections the word "Green" should be omitted altogether. We would remark that the coffee berry, as taken from the tree, may be red, black, or green, and after having been dried is of a grey color, and coffee is stolen by Estate coolies, and *other natives of the neighbourhood*, in every state and condition,—"Parchment," "Tails," "Dried Cherry," or "Clean." It may safely be assumed that whenever coffee of *any* description is found on Estate coolies, or any other persons who cannot satisfactorily account for it, such has been taken for dishonest purposes.

Section 10.—With regard to this section which affects the carrier, we would wish to point out that our industry is

much affected by the way in which our crops are tampered with, and pilfered from, on the road from the Coffee Districts to the Coast, by those who have undertaken its transport. It is well known that these cartmen constantly make away with quantities of coffee of far greater value than their cart hire will amount to, trusting to escape prosecution, owing to the inconvenience such a step would occasion to the owner, or consignee, at such a time of year; and as regards the tampering with the quality of the articles in their charge we may instance a late occasion in which a loss estimated by uninterested parties at Rs. 900, was inflicted on the owners of a single consignment of coffee, a portion of which had been exchanged by the carriers for an inferior description of produce.

The suggestion made by the Chamber of Commerce on this point is a valuable one, and, we think, the following might be inserted at the end of Clause 10, with very great advantage :—

"That when any person, who has contracted for the carriage of coffee from a consigner to a consignee, fails to deliver the quantity, and *quality* he has acknowledged to have received, the consignee may lay an information before the nearest Magistrate, and such Magistrate, on being satisfied as to the correctness of the complaint, may order the carrier to pay the value of the coffee, short delivered or *tampered with*, together with a fine of at least an equal amount."

Section 11.—It is true that it sometimes happens in the pressure of full crop, that coffee is being carried down from the field to the curing houses, and that the berries are being passed through the machinery after six in the evening, but we consider the clause a most valuable one, and the objections made to it by the Chamber of Commerce, uncalled for. We do not suppose that any interference with the *bona fide* work of an Estate, was in any way contemplated, or would be attempted by any magistrate. But, that there should be no possibility of any misapprehension on the subject, we would suggest that the following addition should be made to this section :—

"Provided that nothing in this section shall prevent the ordinary operations of curing the crop on the Estate, such as pulping or storing the result of the day's picking."

Section 12.—Under this, we would observe that the punishment provided under each section of the Act, instead of the Rs. 500 fine, should be the same as in Section 379 of the Penal Code, by which imprisonment up to three years, with fine can be

given. Under Section 67 for default in the payment of the fine, the Magistrate could only direct imprisonment for six months, which, in our opinion, is not sufficient in cases unfortunately frequent.

Section 13.—For this section the word "second" should be omitted, more especially with regard to Section 9. We hold that corporal punishment is very much more effectual than imprisonment, which, in the ordinary case of a low caste coolee, who has nothing to lose, and has to exert himself for his living is found to have no deterrent effect whatever.

Section 15.—The contemplated utilization of the fees and fines, levied under the proposed Act, to form the "Coffee Stealing Prevention Fund," seems to us an admirable arrangement, and we beg to offer our heartiest thanks for the interest shown for our advantage in this, as indeed throughout the measure.

Finally, we consider that some mode of procedure, or instruction, should be issued to Officers who will have to try cases under this Act, directing them to call in the assistance of those practically acquainted with the subject in cases where a most enormous yield per tree, or acre may be shown by the books kept according to the Act by some suspected person. For instance, should the Police Officer call for the accounts of some small garden, and find that the proprietor of a patch of coffee paying tax on a couple of acres, has sent off some four or five tons of coffee (as we believe is now frequently the case), we think that the Magistrate to whom this is reported should be directed to call for qualified opinion, as to whether such an outturn were possible or probable, and to remand the case for further evidence.

We have, &c.,

H. B. WINTERBOTHAM,
Hony. Secy. Wynaad Planters' Association.

E. HAMLIN,
Nilgiris Planters' Association.

F. W. DITMAS,
Planters' Association of North Wynaad.

F.

THE INDIAN MERCHANT SHIPPING BILL.

Proceedings of the Madras Government, Marine Department, 18th July 1878.

Read the following paper :—

From A. O. HUME, Esq., C. B., Secretary to the Government of India, Department of Revenue, Agriculture, and Commerce, to the Chief Secretary to Government, dated Simla, 3rd July 1878, No. 364.

With reference to the correspondence ending with your letter, No. 133, dated the 22nd February 1877, I am directed to forward copy of a Bill which has been prepared with a view to provide for the detention of Unseaworthy Ships and for the appointment of Health Officers at Ports, and to request that the Government of India may be favored with the opinion of His Grace the Governor in Council thereon, and those of such other persons as His Grace may think fit to consult. I am specially to request that the Bill may be submitted for the criticism of the Chamber of Commerce at Madras.

2. The Statement of Objects and Reasons which accompanies the draft sufficiently indicates the general scope of the Bill, and the objects for which it is intended to provide. I am specially to invite attention to the agency which the Bill provides for carrying it out, and to inquire how far such an agency is available, or is likely to be found when the Bill passes into law, in Madras. Any suggestions for modifications in the draft which may be thought necessary to adapt it, in reference to the agency by which it will be worked, to the circumstances of Madras, should be fully explained.

ORDER THEREON, 18th July 1878, No. 371.

Ordered that copies of the Bill to provide for the detention of Unseaworthy Ships and for the appointment of Health Officers at ports, and of the Statement of Objects and Reasons, received

with the above letter, be forwarded for the early remarks of the Chamber of Commerce, the Advocate-General, and the undermentioned officers :—

Colonel T. Weldon, Chief Magistrate, Madras.

R. J. Melville, Esq., Collector of Sea Customs, Madras.

Surgeon-Major W. R. Cornish, Sanitary Commissioner, Madras.

B. Horsbrugh, Esq., District Judge, Vizagapatam.

H. St. A. Goodrich, Esq., Collector of Vizagapatam.

H. Wigram, Esq., District Judge, South Malabar.

W. Logan, Esq., Collector of Malabar.

E. F. Webster, Esq., Collector of Tanjore.

D. F. CARMICHAEL,
Chief Secretary.

Proceedings of the Madras Government, Marine Department, 17th October 1878.

Read the following papers :—

From E. BARCLAY, Esq., Government Solicitor, Madras, to the Chief Secretary to Government, dated 5th August 1878, No. 314, forwarding the following Opinion of the Advocate-General :—

OPINION.

The Bill to provide for the detention of unseaworthy ships and for the appointment of Health Officers at Ports is a Bill which, I think, ought to become law. It seems most reasonable that power should be given to prevent unsafe ships as defined by the Bill from proceeding to sea, and for that purpose to detain such ships pending examination and survey, and the provisions of the Bill appear to be well adapted to secure this object.

2. The only verbal criticism which I desire to make is upon Section 7, Clause (b), line 3, after the word "may" I would suggest that the words "in like manner" be added, and in line 4 before the word "answers," I would add the words "verbal or written." I observe that the section does not impose any penalty for disobedience of the requisition of the detaining officer.

3. Section 40 which confers powers upon Port Health Officers seems to be necessary, but no penalty is provided. It is matter for consideration whether a penalty ought not to be imposed by this Bill instead of relying on the penalties mentioned in Act XII of 1875.

P. O'SULLIVAN,
Advocate-General.

MADRAS, *5th August* 1878.

From R. J. MELVILLE, Esq., Collector of Sea Customs, to the Chief Secretary to Government, dated Madras, 19th August 1878, No. 1406.

I have the honor to reply to G. O., dated 18th July 1878, No. 371.

2. Section 7 of the Act provides for the appointment of detaining officers. I am of opinion that both in Madras and the outports the duties devolving on these officers could be best performed by officials of the Master Attendant's Department.

3. Chapter III prescribes the procedure to be adopted where foreign vessels are concerned. Paragraph (*a*) of Section 39 provides that a copy of the order for the provisional detention of the ship is to be served on the Consular Officer at or nearest to the place where the ship is detained. There are Consular Agents at only a few of the outports and some difficulty will be experienced in carrying out the provisions of this Chapter, unless Consular Agents be appointed at most of the ports.

4. The other provisions of the Act seem to present no difficulty.

From J. H. TAYLOR, Esq., Lieutenant, R.N.R., Master Attendant, to the Chief Secretary to Government, dated Madras, 22nd August 1878, No. 6271.

With reference to the Proceedings of Government, No. 371, dated the 18th July last, I have the honor to submit the following remarks.

2. The provisions of the Act are good enough, but as it stands at present the principal difficulty in enforcing them throughout the Madras Presidency is the want of qualified officers, so that the Government will not be able to appoint officers to all the ports in the Presidency contemplated under Section 7 of the Act, nor can Assessors be nominated under Section 11 ; and thus if Assessors are required, they will have to be selected from the Masters of Ships, which may happen to be in port at the time of inquiry. At the larger ports possibly no difficulty may occur, but at the smaller ones, where

there is only a Sea Customs Officer in charge as Conservator, considerable delay and inconvenience may be caused.

3. Possibly this may be obviated to a certain extent by extending authority to the Masters Attendant of outports to points on the coast midway between their port and the next (where there is a Master Attendant) on both sides.

4. With regard to Section 21, it is doubtful if persons possessing sufficient scientific knowledge of the construction of wooden or iron ships, can be found, except in the several Presidency towns.

From Major T. WELDON, Chief Presidency Magistrate, to the Chief Secretary to Government, dated Bangalore, 20th August 1878, No. 178.

I have the honor to acknowledge receipt of the Order of Government, dated 18th July 1878, No. 371 (Marine), covering a Draft Bill to provide for the detention and survey of unseaworthy ships, &c. The Draft Bill was not received by me till 16th August 1878, after I had proceeded on privilege leave, and therefore I am under the disadvantage of being unable to compare the provisions of existing law on this and kindred subjects with the proposed Act.

2. On the whole, the Bill appears to me to be suitable for the purposes to which it applies, and the appeal to a Court of Survey allowed to Masters and Owners amply protects their interests.

3. *Section* 11.—There may possibly be some difficulty in Madras in making out a list of competent Nautical Assessors, as, except those employed in the Master Attendant's Office, there are few, if any, residents in Madras acquainted with navigation and maritime affairs, and the vessels calling at that port rarely remain longer than is absolutely necessary to discharge or receive such cargo as may be consigned to, or exported from, Madras. It might here be advisable to allow Assessors to be selected generally from those persons of nautical engineering or other special skill and experience, who may be available at the time the inquiry may be ordered, as is done

in the case of Marine Courts of Inquiry under the existing Merchant Shipping Acts.

4. *Section* 12.—The Registrar, in addition to the very simple duty of convening the Court, might be required to attend the sittings as the Ministerial officer of such Court, and, under the direction of the Court, issue and sign all processes and orders necessary for the purposes of the inquiry.

5. *Section* 15.—It is provided that each member of the Court is to have individually all the powers of a detaining officer, that is, all the powers of the Court itself short of the judgment. Among others, the power to summon any person to appear before any member for the purpose of being examined (Clause *b*, Section 7), and to administer oaths, &c., (Clause *d*.) These being judicial acts would more properly be done by the *Court*. It might be inconvenient if each or any one member thought proper to hold a kind of private inquiry of his own at any time or place that suited him.

6. *Section* 39.—The main object of the Bill is to prevent unseaworthy ships proceeding to sea. If the Act is to be applied to foreign ships the mischief to be remedied is the same as in the case of British ships, and the power of interference should not be confined to an improper stowage of cargo, which is only one of several causes tending to make a vessel "unsafe."

7. *Section* 39.—It is not clear that the Master or Owner of a foreign ship has any right of appeal of a Court of Survey against an order of detention, as in the case of British ships, unless the Consular Officer has applied that the Surveyor be accompanied by a nominee of such Consular Officer. The Master or Owner may not consider any such requisition necessary, and the right of appeal is apparently confined to cases where the Surveyor and the Consular nominee differ.

8. *Duties of the Health Officer.*—Seamen constantly seek to justify or excuse refusal of duty or absence from a vessel on the ground that the provisions are unfit for use, or the accommodation insufficient, having due regard to health and sanitation. It might be useful to give Magistrates power to order a survey by the Health Officer whose certificate on these points might be receivable in evidence, the same provision being made

for the recovery of the costs as in the case of a survey of a ship alleged to be unsafe.

From H. WIGRAM, Esq, Officiating District Judge of South Malabar, to the Chief Secretary to Government, dated Calicut, 22nd August 1878, No. 325.

I have the honor to reply to G.O., Marine Department, dated 18th July 1878, No. 371, forwarding for report a Bill to provide for the detention of unseaworthy ships.

2. The provisions of the Bill, if they become law, may probably work well enough in the port of Madras, but I am of opinion that they are far too elaborate for the Mofussil ports.

The Indian Merchant Shipping Act (IV of 1875) is practically worked by the Magistrate of the District and the Master Attendant, and I see no reason why the present enactment should not proceed on exactly the same lines, with power to the Court to appoint its own Assessors.

3. I see nothing objectionable in the principle of the Bill, and I am of opinion that there is no danger of it being worked vexatiously in India.

From W. LOGAN, Esq., Collector of Malabar, to the Chief Secretary to Government, dated Calicut, 24th August 1878, No. 87.

I have the honor to observe with regard to the Indian Merchant Shipping Bill of 1878, a copy of which was forwarded for my remarks with G.O., Marine Department, No. 371, dated 18th July, but received only on 17th instant, that I do not think its provisions could be properly worked in Mofussil districts, and the chief reason simply is that persons of nautical and engineering skill, competent to form a judgment on such points as will ordinarily arise, are so scarce. The working of the Act will devolve on the Marine Department which is represented in this district by the Masters Attendant at Cochin and Calicut and by Port Conservators at Tellicherry and Cannanore. The Port Conservators do not possess nautical or engineering skill, so that, except at Cochin and Calicut with, of course, the twin-port of Beypore, there would be ordinarily no person available to make

a survey. The Government will note that I have recently submitted a petition from the merchants of Calicut asking that the Master Attendant should be empowered to make private surveys in the absence of any other competent person.

2. Then again as regards Assessors, it will be impossible to prepare a list of such persons (as required by Section 11), for the simple reason that such persons are not to be found in the district except in casual instances.

3. In order to adapt it for Mofussil districts the Bill must be to a great extent recast. The survey shou'd be made by the nearest Master Attendant if no one else competent to undertake the duty is at hand in ports where there is no Master Attendant. The Chief Customs Officer present at the port should be competent to order a survey to be undertaken and to issue the order for provisional detention meanwhile. It will, I think, be best to place this power in the hands of the Sea Customs Department rather than in those of the officers of the Marine Department who will, as a rule, have to conduct the surveys.

4. Then as regards the Court of Survey to hear appeals the provisions of the Act would be incomplete if the case, which is likely to arise in practice, of no competent persons being available to sit as Assessors, be left out of consideration. When the services of such persons are available, as for instance when there are Commanders of other vessels in the roadstead, the provisions of the Bill may be retained; but when no competent Assessors can be found, the Judge should report his finding to Government through the Chief of the Marine Department, and the Government should pass such orders regarding the detention of the vessel as might seem to be called for. Notices of appeal should be presented in the Court of the Magistrate of the highest jurisdiction *present at the time* at the port where the vessel is lying. This will be necessary to provide for the case of an officer being absent on circuit. The arrangement of having a Registrar would not, I consider, be found to work well.

5. The penalty proposed by Section 32 seems to me to be hardly severe enough. The Master should, I think, be liable to imprisonment as well as fine.

6. The ports of Badakarai, Quilandy and Ponani in this district might well be added to those mentioned in Part III of the Schedule.

From H. St. A. GOODRICH, Esq., Acting Collector of Vizagapatam, to the Chief Secretary to Government, dated Vizianagram, 22nd August 1878, No. 1271.

I have the honor to submit the following remarks in reply to the reference contained in G. O., 18th July 1878, No. 371.

2. The provisions contained in the Draft Bill appear well calculated to serve the object in view.

3. I entertain some doubt as to the frequency of the offence of sending large sailing ships to sea in an unsafe condition in the Bay of Bengal, the risk is too great to be incurred. Steamers are in my belief not unfrequently deficient in engine power, but the surveying of machinery could not be undertaken at minor ports. Both sailing ships and steamers may be unsafe from having a crew insufficient to work them, it seems doubtful whether such a condition is intended to be included in the description "the defective condition of her equipments."

4. The Surveyor (Section 34), if he has reason to believe a ship to be unsafe from over-loading or improper loading, should have power to order a part of her cargo to be returned to the custody of her agent on shore. If a ship were so loaded as to be unsafe on a voyage, she might well be unsafe lying in an open roadstead in the Bay of Bengal in monsoon weather. Under the Draft Bill's provisions the Surveyor seems to be empowered to unload cargo only for the purposes of his survey.

5. It is not clear who is to be the judge of the competence of the "competent person" of Section 39 (*d*). The Consular Officer should, I think, be restricted to the list of Assessors or his nomination at least be made subject to the Judge's approval.

6. With regard to the agency available for carrying out the provisions of the Bill, no doubt, it is limited in most Madras ports. A joint list for Vizagapatam and Bimlipatam might be made. The Master Attendant can best discharge the duties incumbent on the detaining officer, and if no other qualified

person is available there seems no reason why he should not be appointed Surveyor also.

From B. HORSBRUGH, Esq., Acting District Judge of Vizagapatam, to the Chief Secretary to Government, dated 29th August 1878, No. 512.

I have the honor to submit a few remarks on the Indian Merchant Shipping Bill 1878, in compliance with Order of Government, No. 371, dated 18th July 1878.

2. In the last paragraph of Section 2 the definition of "unsafe" should be extended so as to include ships proceeding in ballast only and unfit for service by reason of defective or improper ballasting. At present the term only includes ships loaded.

3. *Section* 31.—How is the fine to be recovered from the Master, who may not return to British India at all.

4. *Section* 32.—In the last sentence of the first clause the word "each" should apparently be inserted between "shall" and "also."

Where the owner is also Master is he liable to a fine up to one thousand Rupees in each capacity, and how is the fine to be recovered from the Master if he does not return?

5. The Magistrate or other authority by whom the punishment under Section 31 is to be awarded should be named.

6. Similarly under Section 32 the class of Magistrate having jurisdiction to convict should be given.

7. These two penal sections do not apparently require that the Master should be before the Court inflicting the fine, nor is any appeal provided from the conviction by such Court or Magistrate.

8. I think that the necessary agency for carrying out the provisions of the Bill is available in each district of which I have had experience, although perhaps not in each port: the scientific Referees alone under Section 21 would not be found in the outports; as the list of Assessors is not limited to residents of the port or district where the ship is detained, the Registrar can summon Assessors of "special skill and experience" from other parts if none are close at hand.

9. I have assumed throughout that the Bill applies only to ships with British registry, and not to those belonging to British Indian ports.

From W. R. CORNISH, F. R. C. S., Sanitary Commissioner for Madras, to the Chief Secretary to Government, dated Ootacamund, 23rd August 1878, No. 40 C.

With reference to Proceedings of Government, No. 371, of the 18th July 1878 (Marine Department), I have the honor to express my opinion that the proposed rules in Chapter IV of the Draft Act seem to define sufficiently the powers and status of Port Health Officers. There will be no difficulty in providing Health Officers for the ports named in Part III of the schedule, but some of the ports from which emigrants proceed to Ceylon, &c., are not included in the list.

Chamber of Commerce, Madras, 5th September 1878.

TO THE ACTING CHIEF SECRETARY TO GOVERNMENT,
Ootacamund.

SIR,—I have the honor to acknowledge receipt of the Proceedings of Government, 18th July, handing, for an expression of the opinion of the Chamber, a copy of the Bill of the Viceregal Legislative Council for the detention of Unseaworthy Ships and for the appointment of Health Officers.

It appears from the Statement of Objects and Reasons attached to the Bill, as well as from the Draft itself, that the proposed enactment has reference to "all British Ships" and "Foreign Ships," but nothing is stated to show that the term "British Ships" is intended to include the native craft belonging to British India. The need for providing for the detention of Unseaworthy Native vessels is far more urgent than that of providing for the detention of English and Foreign ships, and it seems to the Chamber that both square rigged native craft and dhonies should be expressly brought within the scope of the Bill. The Chamber are aware that all vessels registered in India and flying the British flag are usually, under the authority conveyed in Act X of 1841, regarded as "British Ships," but to prevent the possibility of doubt about

the applicability of the proposed enactment to native vessels they suggest a slight verbal addition to the draft.

The only other point in the Bill to which the Chamber have desired me to draw attention is the inclusion in the meaning of the word "owner" of any agent to whom a ship is consigned.

In section 25 the owner is held liable to the Government for the costs incurred in the detention and survey of the ship. It may often happen that the Agent holds insufficient funds of the owner to meet such a demand, and as it would be obviously unjust to make him responsible for the expenses referred to, the Chamber suggest that a proviso should be inserted in the Bill, setting forth that the Government will hold such agent responsible only to the extent of such funds of the owner as he happens to hold, and that should such funds prove insufficient to discharge the claims, the remedy of the Government shall be on the owner's property in the agent's hands and not on the agent personally.

I have, &c.

A. MACKENZIE,
Chairman.

ORDER THEREON, 17th October 1878, No. 534.

Ordered that the foregoing reports on the Indian Merchant Shipping Bill, 1878, be forwarded to the Government of India, with reference to their Secretary's letter, dated 3rd July 1878, No. 364, Department of Revenue, Agriculture, and Commerce.

2. The object of the Bill is to prevent the departure of unseaworthy ships from British India and to appoint Health Officers at the several Indian ports; and it has apparently been drawn to meet the circumstances pointed out in the correspondence, noted in the margin, which passed between this Government and the Government of India.

From Government of India, 28th December 1875, No. 428, Revenue, Agriculture and Commerce.
To Government of India, 14th February 1877, No. 114, Marine.
To Government of India, 22nd February 1877, No. 133, Marine.

3. This Government approve the Bill, and generally the provisions made by it for effecting the object in view; but with

reference to the difficulties anticipated by the officers of this Presidency who have reported on the Bill, in respect to the available agency for carrying out its provisions in all the numerous ports of the Presidency; as well as for such amendment of the Bill as would tend to make it complete in all respects, His Grace the Governor in Council resolves to record the following observations.

4. The Madras Chamber of Commerce point out, and the wording of the Bill apparently gives color to the apprehension, that there is nothing to show that the term "British Ship" includes the large native craft belonging to British India; the need for providing for the detention of unseaworthy native vessels being a matter of even greater urgency than that of providing for the detention of English and Foreign ships. All vessels flying the British Flag, especially with reference to Act X of 1841, are no doubt to be regarded as British ships; but it appears to the Government to be desirable that the contemplated Act should be made expressly applicable to all native craft, and that this should be more clearly defined in the Act.

5. Then again, the Bill deals only with the unseaworthiness of the vessel itself, or with its unsafety from over-loading; but it appears to this Government that an insufficient crew, either from its numerical deficiency, or from sickness or other disability, should be included among the causes rendering a ship "unsafe," equally with the other causes enumerated. The best equipment in sales, tackle, &c., may be subject to danger, if there are not sufficient hands on board to use such equipment with ability and sufficient promptitude.

6. If the Bill is applicable to all native craft, it will be necessary to nominate a detaining officer at every port. The detaining officer would ordinarily be the Master Attendant or Port Officer, acting on the report of one or other of the European Port Officers stationed at the more important ports; but having regard to the class of subordinate officers who would necessarily be "detaining officers" in small ports, or sub-ports, it would be well (*a*) to omit, in Clause *d* of Section 7, the power to administer oaths; that is, the words, "administer oaths, or may, in lieu of requiring or administering an oath" should be omitted,

and (*b*) to make the action of such officers subject to revision and modification by the Division Port Officer, who should be the officer corresponding with Government. Provision should further be made for all orders, notices, &c., being served in the vernacular when necessary.

7. Section 11 provides that the Assessors, to sit with the Judge to form a Court of Survey, shall be persons of nautical, engineering, or other special skill and experience. Adverting to the difficulty pointed out by the several officers consulted, as to always obtaining the services of competent men, the section in question should be qualified by inserting after the words "shall be" in line 1 the words "as far as possible." Under Section 13 the Registrar would have the power of summoning Assessors from whatever place they could be most conveniently summoned.

8. Section 16 provides for the Judge appointing a competent person to survey the ship and make a report thereon to the Court. The word "reasonably" should be inserted before "competent."

9. Section 21 provides for the reference to a skilled referee of an appeal involving a question of construction or design. Here, the words from "one or more out of a list of scientific referees" in line 7 to "and" in line 11 should be omitted: and the words "person as" inserted; so that the sentence would run, "it may refer the matter to such person as may be selected by agreement between the Local Government and the appellant." There are but few persons qualified to be scientific referees; and these qualified persons are few and far between, and are constantly changing.

10. The Collector of Sea Customs, Madras, apprehends difficulty in giving effect to Section 39, in consequence of the small number of Consular Agents, but this Government do not see anything in the point taken.

11. Turning to Part III of the schedule, the lists there given of the ports of Bengal and Bombay appear to include all their ports, *i. e.*, all places whereat ships are accustomed to land or embark goods or passengers; it will be necessary therefore

that the same course be applied in the case of Madras, and a list of the ports is accordingly subjoined :—

List of Ports of the Madras Presidency.

Chief Port, Madras.
Adrampatam.
Ammapatam.
Attakuyi.
Attangarai.
Attupuram.
Badagarai.
Baindur.
Balaipatam.
Bapanapadu.
Barkur.
Barwah.
Bekal.
Bendamurlanka.
Beypore.
Bimlipatam.
Bodivanipalem.
Cadalondi.
Calicut.
Calingapatam.
Callayi.
Cannanore.
Carungadu.
Caup.
Chennayapalem.
Chombayi.
Chowghat.
Cochin.
Cocanada.
Coilpatam.
Conada.
Coringa.
Covelong.
Cuddalore (S. Arcot).
Cuddalore (Malabar).
Cumbla.
Damodarapatam.
Darmapatam.
Devipatam.
Dugarazupatam.
Elatur.
Emanangundu.
Ennore.
Ermal.
Ervadi.
Etticolam.
Ezhara.
Gangadipalem.
Ganjam.
Gopalapatam.
Gopaulpore.
Ipurpalem.
Iskapilli.
Itamukkala.
Juvaladinne.
Kanuparti.
Kapatt.
Kasargodi.
Katacacheri.
Kattumavadi.
Kavvayi.
Kilakarai.
Kodiempalliem.
Kolam.
Kottaikal.
Kottaipatam.
Kottapalem.
Kottapatam.
Krishnajipatam.
Krishnapatam.
Kulasegarapatam.
Kundapur.
Kurkuyi.
Kuttayi.
Madayi.
Maipadu.
Malpe.
Mandapam.
Mangalore.
Manjeshwar.
Marakayapatam.
Masulipatam.
Merkanum,
Molankadava.
Morutota.
Mottupalli.
Mudiapatam.
Mulki.
Muttungal.
Muttupettai (Tanjore).
Mutupettai (Madura).
Nagayalanka.
Nagore.
Nambidalai.
Narsapur.
Nayakankotta.
Negapatam.
Nizampatam.
Padubidri.
Pakala.
Pamanji.
Parapanna.
Parapanangadi.
Pasipatam.
Paumben.
Pentacottah.
Penumudi.
Pillaimadam.
Point Calimere.
Ponani
Ponnapudi.
Porto Novo.
Pudi.
Pudimadaka.
Pudiangadi (Malabar).
Pudiangadi (do).
Pudupatam.
Pundi.
Quilandi.
Ramapatam.
Rameswaram.
Shirur.
Sonapore.
Sundrapandiapatam.
Talayi.
Tanur.
Tellicherry.
Terupalancudi.
Tirumalavasal.
Tondi.
Toputorai.
Tranquebar.
Trikodi.
Tummalapenta.
Tupili.
Tuticorin.
Uchil.
Udiavar.
Udipi.
Uppada.
Vaippar.
Valangani.
Valanokkam.
Vedalai.
Velliangode.
Vizagapatam.

C. G. MASTER,
Acting Chief Secretary.

Chamber of Commerce, Madras, 14th December 1878.

To the Chief Secretary to Government,

Fort St. George.

Sir,—The Chamber have had under their consideration, the Proceedings of Government dated 17th October 1878, No. 534, on the subject of the Indian Merchant Shipping Bill 1878.

The Chamber regret to observe that the Government have not embodied in their proposed amendments to the Bill the Chamber's suggestion for some limitation to the responsibility of Agents of ships. In the Preamble of the Act, the term "owner" is made to include "any Agent to whom such ship is consigned." There are Sections in the Act providing for expenses and penalties recoverable from the owner, which will thus be leviable from the Agent, who in 99 cases out of 100 will not have any funds of the owners out of which to meet the charge, and will consequently have to claim upon the owner for repayment; and in the probable case of repudiation of his claim, will have to sue him at considerable difficulty and expense. For example in Section 25, it is provided that

"If a ship is finally detained under this Act, or if it appears that a ship provisionally detained was at the time of such detention unsafe, the owner of the ship shall be liable to pay to the Government its costs of and incidental to the detention and survey of the ship; and such costs shall, without prejudice to any other remedy, be recoverable as salvage is recoverable."

Here the *agent* will be responsible in room of the absent *owner*, though he may have no funds of the owners out of which to meet the charge, and no power to detain the owner's property pending adjustment of his claim upon such owner.

Section 32 provides that

"When a ship so proceeding to sea takes to sea, when on board thereof in the execution of his duty, any person authorized to detain or survey such ship, the *owner* and master of such ship shall each be liable to pay all expenses of and incidental to such person being so taken to sea, and shall also be punished with fine which may extend to 1,000 Rs.

"When any *owner* or master is convicted of an offence under this Section, the convicting Magistrate may enquire into and determine the amount payable on account of expenses by such *owner* or master under this Section, and may direct that the same shall be recovered from him in manner provided for the recovery of fines."

Here again the agent as responsible in place of the absent owner may be held liable for acts of the master, who is not in any way his servant or under his control.

The Chamber desire me to point out the extreme hardship of making an agent liable in room of the owner for matters in which he has practically no interest whatever, and responsible for circumstances and acts over which he has no control. As pointed out above, the agent would merely in most cases of this kind be saddled with a law suit as the penalty for undertaking a foreign owner's business in India. Surely the Government can protect itself by ordering summary procedure against the ship (the owner's property) and directing its detention and the refusal of clearance papers until Government claims have been met? The agent would be powerless to cause such detention, more especially in up-country ports, where to a great extent the Captain acts as the chief authority in matters connected with his own ship, and where the ship would have sailed long before the necessary legal formalities for proof of debt against the owner and an attachment of his property could be complied with by the agent.

The Act as it stands will throw such severe and, as the Chamber venture to think, inequitable responsibility upon agents in India, that the Chamber cannot too strongly urge the objection which they have already preferred, and again suggest that a proviso should be inserted in the Bill, setting forth that the Government will hold an agent responsible only to the extent of such funds of the owner as he happens to hold, and that should such funds prove insufficient to discharge the claims, the remedy of the Government shall be on the owner's property, whether in the agent's hands or not, and not on the agent personally.

Referring to the long list of Ports published in the order under reference, the Chamber think there would be considerable difficulty at many of the smaller out-ports in getting competent persons to act as assessors, such as are contemplated under the Act. And this circumstance would probably throw additional difficulties in the way of an agent's recovery from the owner. Such owner would undoubtedly take advantage of the opportunity to plead that the expenses incurred had been so incurred on the statement of incompetent or inexperienced parties, and that he refused to consider their opinion as sufficient authority.

I have, &c.,

A. MACKENZIE,
Chairman.

G.

DRAINAGE OF THE FORESHORE.

Chamber of Commerce, Madras, 7th February 1878.

To the Chief Secretary to Government,
Fort St. George.

Sir,—The part of the foreshore enclosed by the two arms of the Harbour being in front of many banks and mercantile offices, its condition is a matter of interest to the members of the Chamber, and on this ground I am desired to do myself the honor of moving the Government to give the insanitary condition of the locality their attention.

It will be known to the Government that there has been a large accumulation of sand between the two groynes, extending far beyond the extremity of the pipes from which the town's sewage used to be discharged direct into the sea. But no measures have been taken to divert the flow of sewage, and the pipes now discharge their contents on to the sand, which being saturated with the filth emits under a hot sun disgusting and dangerous effluvia. The idea of extending the pipes to the present limit of the sea, and allowing the sewage to be there discharged into the water has doubtless not commended itself to the Government, since it is a matter of great importance that the water within the Harbour walls should be kept as free as possible from pollution. But the Chamber, and probably the public, would be glad to learn that measures will be immediately taken for intercepting the sewage, and for arranging for its discharge at some point or points north or south of the Harbour. The expense of this diversion must be incurred some day, and it is thought by the Chamber that as the ultimate execution of the work is only a question of time, it should not be delayed any longer.

I have, &c.,
A. Mackenzie,
Chairman.

Transferred to the Public Works Department in continuation of endorsement, No. 125, dated 24th January 1878.

D. F. CARMICHAEL,
Chief Secretary.

NOTE.

The Chief Engineer has ascertained from the Superintendent of the Madras Harbour Works that of the several drains that discharge into the Harbour between the Piers only one, viz., the most southerly, has any flow of consequence, the whole of the remainder together not discharging more than one-tenth of this flow. From this he believes that under existing circumstances it is not necessary to incur the great expense of constructing an intercepting sewer along the whole length of the base of the Harbour, but would simply divert the principal drain noticed by taking it in pipes through the surf bank of the south pier which would comparatively speaking cost but little. The small discharge from the remaining drains will not, he thinks, cause any appreciable inconvenience to the Harbour, and therefore he recommends their not being interfered with at present. He further remarks that in Mr. Clarke's proposed system of draining Madras it is arranged that all the drains in question shall discharge into sewers landwards leading to the pumping wells.

In regard to the measures ordered to be undertaken to secure property in the vicinity of the beach north of the Harbour Works, he notes that further erosion may be arrested by the construction of a group of six or eight more groynes north of the existing group; and later in the year if found necessary that short groynes be inserted between each of the existing groynes. He has carefully inspected the beach and from the papers in his office on the subject records his conviction that the erosion cannot be solely attributed to the construction of the Harbour piers as years ago such took place and had to be arrested by the existing groynes. However on the same principle that then induced the Government to sanction them it appears desirable that the additional group be constructed.

To admit of lengthening the principal pipes discharging the Black Town main drain immediately north of and close to Fort St. George into the sea, the Chief Engineer recommends that the temporary pier lately built by the Master Attendant, now of no use, be dismantled and its materials used for taking the drain pipes further out to sea.

E. A. FOORD, Colonel, R.E.,
16*th February* 1878. *Chief Engineer and Secy. to Govt., P. W. D.*

ORDER THEREON, 28th February 1878, No. 984 W.

Concurring with the Chief Engineer's remarks, the Governor in Council directs that estimates be without loss of time prepared for a fresh group of six groynes to be placed north of the existing groynes on the north side of the Harbour Works, and to be composed of the same materials as those of the existing groynes.

The Superintendent, Madras Harbour Works, will also estimate for diverting the principal drain referred to by the Chief Engineer through the surf bank of the southern Harbour groyne in the manner proposed in the second paragraph of his memorandum above recorded.

The Government also approve the Chief Engineer's suggestion regarding the utilization of Captain Taylor's temporary pier, the materials of which will be jointly valued by the Master Attendant and the District Engineer, Presidency, and the sum realized credited to Port Funds; and the District Engineer, Presidency, will arrange for extending the pipes of the Black Town drain immediately north of Fort St. George. In connection with this point, the Government observe that while the temporary evil will be averted by this device the drain mouth will also have to be kept clear in case of rainfall.

Separate orders will be passed regarding the claims for compensation on receipt of the Chief Engineer's further report.

E. A. FOORD, Colonel R.E.,
Secretary to Government, P.W.D.

Chamber of Commerce, Madras, 12th April 1878.

TO THE SECRETARY TO GOVERNMENT,
Public Works Department.

SIR,—I have the honor to acknowledge receipt of the Proceedings of Government, Public Works Department, 28th February, from which the Chamber have learnt that the Government have directed the Superintendent of the Harbour Works to prepare an estimate for diverting the principal drain between the two piers through the surf bank of the southern harbour groyne, and that no steps are to be taken for the present to intercept the outfall of sewage from the smaller drains.

It is observed that His Grace the Governor in Council has been informed that there is no flow of consequence from these smaller drains; but the Chamber would respectfully remark that this is not the case during rainy weather, when the drains in the town are flushed and the accumulations of months are washed through the pipes to their outlet. It seems to the

Chamber that the discharge of any sewage in the space enclosed by the harbour groynes may fairly be deprecated on sanitary grounds, and that danger to the public health, as well as a very appreciable inconvenience to the harbour, may be expected to result from the neglect of means that readily suggest themselves for preventing the pollution of the foreshore and the still water of the Harbour.

The diversion of the chief drain through the surf bank of the southern groyne will doubtless, at comparatively small cost, shift the nuisance and danger complained of a few yards seawards, but the southern angle formed by the surf bank with the shore will (especially during the south-west monsoon, when still water will be found there) become little better than a cess-pool, and the beach for some little distance may become most objectionable in consequence. The Chamber venture to think that, as public health is concerned, it would be more economical in the long run to employ efficient means for grappling with the difficulty which has arisen from the Harbour Works. The re-arrangement of the drainage of the foreshore is a costly necessity arising from, and fairly debitable to, the harbour scheme.

I have, &c,
A. MACKENZIE,
Chairman.

Proceedings of the Madras Government, Public Works Department, 8th May 1878.

Read the following paper from L. R. BURROWS, Esq., Acting President, Municipal Commission, Madras, to the Secretary to Government, Public Works Department, dated 30th April 1878, E No. 315.

With the view of supplying the information required in your memorandum, No. 1,884, dated 24th instant, I have the honor to forward a plan* of the area drained into the sea between the new Harbour Works groynes. The blue lines represent the open street drains. The red lines 1, 2, 3, and 4, are underground drains. These drains carry drainage from houses as well as storm water. The

* Per Sample Post.

other thin red lines are drains for storm water only. The number of inhabitants living within this drainage area is estimated as being below 20,000. The area is about one-third of the 3rd Municipal Division, the population of which, according to the last census, was 50,957.

ORDER THEREON, 8th May 1878, No. 2,088 W.

The Harbour piers having advanced to a point when drainage must be stopped from flowing into the Harbour or saturating the accumulated sand, the diversion of the outlet through the south pier should have been completed before this. Action should be taken at once in the matter by the Superintendent of the Madras Harbour Works, who will also devise means of diverting *all* flow of sewage from the Harbour.

Early report will be made as to what has already been done and when what is requisite will be accomplished.

E. A. FOORD, Colonel, R.E.,
Secretary to Govt., P.W.D.

Proceedings of the Madras Government, Public Works Department, 23rd May 1878.

Read the following paper from N. ST. B. BEARDMORE, Esq., Acting Superintendent, Madras Harbour Works, to the Secretary to Government, Public Works Department, dated Madras, 15th May 1878, No. 7 W.

With reference to G. O., No. 984, of the 28th February last, I have the honor to report that the cost of constructing a group of six ordinary small sized groynes on the beach north of the existing groynes north of the Harbour Works would be Rupees 14,175.

If they are placed at the same distance apart as the existing groynes, namely, 550 feet, they will extend to a distance of nearly three quarters of a mile beyond the present northernmost groyne, or to a point some distance beyond the old saw-mills, where the sand has not been, since the commencement of the Harbour Works, cut away to any serious extent.

I have the honor to report my conviction however that the construction of these groynes is, under the circumstances that now exist, quite unnecessary; for during the last few months the sand has accumulated in that neighbourhood so considerably as to restore the general features of the shore nearly to the state they were in previously to the complaints made of the erosion of sand in the district.

The cost of diverting the municipal drain through the surf bank of the south pier referred to in the Government Order quoted above will be about Rupees 3,000.

ORDER THEREON, 23rd May 1878, No. 2,265 W.

Under the circumstances stated the Government are of opinion that to construct the groynes now would be useless.

The report called for in G. O., No. 2,088 W, of the 8th May is awaited.

E. A. FOORD, Colonel, R.E.,
Secretary to Govt., P.W.D.

Chamber of Commerce, Madras, 5th July 1878.

TO THE SECRETARY TO GOVERNMENT,
Public Works Department.

SIR,—The Chamber are indebted to the Government for the attention that has been given in Proceedings, Public Works Department, 8th May, No. 2,088 W, to their representation of the 12th April of the necessity of rearranging the drainage of the foreshore. They are, however, disappointed to find that, as yet, only one of the eleven sewers which have their outlets between the two groynes has been taken in hand and diverted through the southern surf bank. It seems to the Chamber that, as none of the sewers referred to can be permitted to discharge themselves into the Harbour when that work is completed, it is expedient to at once intercept the whole of them by a drain running parallel to the beach road. This intercepting drain might have two outlets, one south of the southern groyne, at the point where the steam pump is now working, and the other at a similar distance north of the northern groyne, at a point where a corresponding pumping

station may be established. The outfall from the two ends would then be sufficiently far from the Harbour groynes to prevent any of the sewage being washed into the Harbour, or accumulated in the outer elbow, or angle, formed by those groynes with the beach. Near the shore end of the screw pile pier, at a point about midway from the extremities of the intercepting sewer, picottahs might be erected for raising sea water and discharging it into the drain in order to flush it daily.

The Chamber venture to impress upon Government the importance of dealing in a comprehensive manner with the drainage question that has arisen from the Harbour Works, since it appears to them that, as the beach enclosed between the two groynes is now protected from the influence of the littoral currents, there is far less opportunity than formerly for the sea, by an occasional overflow, to cleanse the sand from sewage pollution. Some of the ten drains that have their outlets in the space referred to are probably more useful for the escape of storm water than of actual sewage ; but during heavy rain there is not much difference in the character of the discharge from any of the sewers. Owing to the imperfect system of drainage in the town, and the infrequency of flooding rain, the sewage accumulates for months, and must emit, during the hot weather, gases that are inimical to public health. At length rain falls in abundance, and the putrid accumulations are washed down, and at last are discharged either into the sea when the tide is unusually high, or on to the sand where it forms a permanent lake of the most poisonous matter. Thus the beach, in the busiest part of the port, is already more or less saturated with sewage, and the shipping operations are conducted by crowds of coolies, boatmen, &c., while exposed to the danger of inhaling the effluvia from the filthy pools at the mouths of the drains. Not only are the persons engaged in the several mercantile offices and banks exposed to the danger arising from the evaporation from the beach, but the health of the Judges, officers and clients of the High Court, as well as of the officers and persons doing business at the Custom House, Stamp Office, Commissariat Office, &c., is seriously endangered by the same cause. Under

these circumstances the Chamber are of opinion that no time should be lost in affording public health better protection against a risk which has been aggravated by the Harbour Works.

I have, &c.,

A. MACKENZIE,
Chairman.

ORDER THEREON, 22nd July 1878, No. 2,963 W.

The Chamber's letter will be communicated to the Superintendent of the Madras Harbour Works who will, in communication with the President of the Madras Municipality, draw up a scheme for intercepting all the drainage referred to. The cost of the project, together with the cost of subsequent maintenance, should be given. The project should be accompanied by such remarks as the President of the Municipality may have to offer.

E. A. FOORD, Colonel, R.E.,
Secretary to Govt., P.W.D.

Chamber of Commerce, Madras, 15th October 1878.

TO THE PRESIDNT MADRAS MUNICIPALITY,
Madras.

SIR,—It has doubtless, not escaped your notice that the sanitary condition of that part of the foreshore which lies between the two Harbour Piers continues in a very unsatisfactory condition. The odours emanating from sewers having their outlets in the Harbour are occasionally very offensive, and cannot but be a source of danger to the health of people having offices in, or frequenting the neighbourhood of the First Line Beach. In July last the Chamber ventured to call the attention of Government to the necessity of speedily improving the drainage of this quarter; and His Grace the Governor in Council was good enough to direct that the Chamber's letter should be communicated to the Superintendent of the Harbour Works who would, "in communication with the President of the Madras Municipality, draw up a scheme for intercepting all the drainage referred to."

The Chamber would feel much obliged to you if you could inform them what action has been taken on the orders of Government.

I have, &c.,
A. MACKENZIE,
Chairman.

Madras Municipality, 22nd October 1878.

TO THE CHAIRMAN CHAMBER OF COMMERCE,
Madras.

SIR,—In reply to your letter of the 15th instant, I have the honor to inform you that in accordance with the order of Government, a report with plans was prepared by the Superintendent, Madras Harbour Works, for an intercepting sewer along the Beach road and forwarded to Government with my remarks on the 18th ultimo. No orders have as yet been received.

As the Harbour Works Superintendent declines to do anything for alleviating the nuisance caused by sewage stagnating on the strand, and as there will probably be considerable delay before the sewer proposed by Mr. Thorowgood is completed, I have given orders for the hollow places being filled up and the sewage confined as well as possible to channels dug through the sand.

I have, &c.,
L. R. BURROWS,
President Municipal Commission.

Chamber of Commerce, Madras, 16th November 1878.

TO THE CHIEF SECRETARY TO GOVERNMENT,
Fort St. George.

SIR,—The Chamber beg to call your attention to the Proceedings of Government, P. W. Department, No. 2,963 W., dated 22nd July last, in which it was intimated that the Superintendent of Harbour Works would in communication with the President of the Municipality draw up a scheme for intercepting the drainage on the foreshore. Though more than three months have passed since the date of that order, nothing has

been done to remove the nuisance of which the members of the Chamber have had so much reason to complain. The Chamber recently called the attention of the President of the Municipality to the delay that has occurred in carrying out the orders of Government, and that officer has replied that the plans for improving the foreshore drainage had been submitted to Government on the 18th September, but that no orders for executing the proposed work had yet been received. Mr. Burrows adds:—"As the Harbour Works Superintendent declines to do anything for alleviating the nuisance caused by sewage stagnating on the strand, and as there will probably be considerable delay before the sewer proposed by Mr. Thorowgood is completed, I have given orders for the hollow places being filled up and the sewage confined as well as possible to channels dug through the sand."

It is not probable that the temporary expedient proposed by the President of the Municipality will serve the desired purpose. The nuisance can only be abated by the drain pipes being carried out to the water—and as drains cannot, when the harbour is finished, be allowed to discharge themselves into the harbour basin, the pipes should at once be diverted to outside the Harbour walls.

With reference to Mr. Burrows' statement that the Harbour Works Superintendent "declines to do any thing for alleviating the nuisance caused by sewage stagnating on the strand," the Chamber would beg reference to the following sections in the new Municipal Act for Madras:—

"The Commissioners shall cause the sewers and drains belonging to them to be so constructed and *maintained* as not to be a nuisance or injurious to health, and to be properly cleared, cleansed and emptied."

Section 269 runs:—"All *branch drains*, as well within as without the lands or buildings to which they belong, and all private latrines, privies and cesspools within the city shall be under the survey and control of the Commissioners, and shall be *altered*, repaired and *kept in proper order* at the costs and charges of the owners of the lands and buildings to which the same belong, or for the use of which they are constructed or continued."

It seems clear from the above section that if the Harbour Works were being carried out by a contractor or firm, instead of by Government, the President of the Municipality would have it in his power to insist on the present nuisance being removed. The Chamber submit that under these circumstances the Government should not hesitate to carry out a work which the law would compel a private individual, under heavy penalty, to undertake without delay.

I have, &c,
A. MACKENZIE,
Chairman.

FORWARDED to the Public Works Department for consideration and disposal.

C. G. MASTER,
Ag. Chief Secretary.

ORDER THEREON, 25th November 1878, No. 4,489 W.

THE Chamber of Commerce will be furnished with a copy of the instructions issued to the Superintendent of the Harbour Works in regard to this question of drainage.

E. A. FOORD, Colonel, R. E.,
Secretary to Govt., P. W. D.

Fort St. George, 12th November 1878.

MEMORANDUM.

Letters from the Superintendent, Harbour Works, No. 31 W., dated 14th, and No. 35 W. dated 18th September 1878.

The Government have decided to defer till January next, when Mr. Parkes is expected out, the general question of the drainage of the foreshore between the groynes of the Madras Harbour Works; but as regards the drains emptying opposite the buildings on the Beach, the nuisance arising from the stagnant pools of storm waters may be temporarily remedied by levelling the sand, filling up the hollows, and keeping a channel open down to the surf.

The Superintendent of the Harbour Works will see that this is attended to.

E. A. FOORD, Colonel, R. E.,
Chief Engineer, P. W. D.

H.

PROGRESS OF THE HARBOUR.

Chamber of Commerce, Madras, 4th January 1878.

To the Chief Secretary to Government,
Fort St. George.

Sir,—The progress of the Madras Harbour Works has not been so satisfactory as to allay apprehensions excited by an observation of the effects produced on our foreshore by the two piers. The Chamber being free to admit that they share a good deal of the public anxiety on the prospects of this great work, are glad to learn that Colonel Sir Andrew Clarke, R. E., the Public Works Minister, is to visit Madras about the 15th inst., for the purpose of inspecting and reporting upon what has been done in execution of Mr. Parkes's plan. The Chamber are also informed that Sir John Coode, C. E., the Engineer of the Colombo Harbour Works has just arrived in Ceylon, with the intention of proceeding in a few days to Australia in connection with harbour works at Melbourne and elsewhere. The association of the former Military Director of Marine Works, for the Admiralty, with the Civil Engineer of the Portland Breakwater, in the delicate task of investigating the progress and prospects of the Madras Harbour Works would, the Chamber conceive, be invaluable in determining whether Mr. Parkes's scheme is likely to be carried to a successful completion.

It is matter for regret that owing to the local scheme being the first undertaking of the kind ever attempted, opinions about the fulfilment of Mr. Parkes's anticipations must be based to a great extent upon theory rather than upon experience. But this circumstance seems to the Chamber to indicate the necessity of obtaining the advice and opinion of all available authorities on marine engineering—where opinions must to a large extent be based upon theory, those interested will naturally be more ready to accept the verdict of several authorities than of one however able that one may be.

The Madras Harbour scheme is a problem in marine engineering of momentous consequence to this port. Its success would confer a great boon on the commerce of the Coromandel Coast; but its failure would be the source of profound regret to the mercantile community, besides inflicting a heavy pecuniary loss upon the State. A verdict as to the feasibility or otherwise of Mr. Parkes's scheme arrived at on the spot by Sir Andrew Clarke and Sir John Coode, could not but merit the confidence of the Government and the mercantile community, and carry probably more weight than the isolated opinion of an official whose judgment may possibly be considered as having been influenced by sympathy with the financial exigencies of the Government of which he is a member, or at least by a prudent caution as to expenditure on works, the success of which has undoubtedly still to be proved by practical trial.

I have, therefore, the honor, on behalf of the Chamber, to beg his Grace the Governor in Council to move the Government of India to avail themselves in the manner suggested of the professional opinion of Sir John Coode, on the Madras Harbour scheme.

I have, &c.,

A. MACKENZIE,

Chairman.

Public Works Department, 7th January 1878.

TO THE CHAIRMAN CHAMBER OF COMMERCE,

Madras.

SIR,—Adverting to your letter dated 4th January 1878, I am directed to inform you that, after reference to the Government of India, it has been decided that Sir Andrew Clarke shall be at liberty to confer with Sir John Coode or any other Engineer in whom he may have confidence, should he, on his examination of the Madras Harbour Works, feel any doubt or hesitation as to the course which should be adopted in regard to them.

I have, &c.,

E. A. FOORD, Colonel, R. E.,

Secretary to Govt., P. W. D.

I.

THE LEGAL EFFECT OF PUBLIC VACATIONS.

Chamber of Commerce, Madras, 5th April 1878.

To THE CHIEF SECRETARY TO GOVERNMENT,
Fort St. George.

SIR,—I have the honor to bring to the notice of Government that much difference of opinion exists as to the legal effect on the rights and responsibilities of parties to "term" contracts, and of holders and drawees of negotiable instruments, and generally of parties under the ordinary obligations of commerce, of a Government notification (such as that which appeared in the *Fort St. George Gazette* of the 2nd instant) declaring a certain day, or a certain term of days, general holidays, and further as to the legal effect in the same manner of the recognition by Government of certain days as holidays granted to members of certain castes or creeds.

According to the Government notification of the 28th March 1862, the holidays allowed in Government Offices in this Presidency include thirteen days under the head of General besides *Special* holidays as under :—

Two days for Christians, one day for Roman Catholics, eight days for Hindus, two days for the Vaishnava sect, one day for the Saiva sect, one day for Telugus, one day for Tamils, one day "Wearing Thread," and nine days for Mahomedans. In Bombay only four days are allowed as General holidays, but a large number of holidays are given to Jews, Parsees, Mahomedans, and Hindus. In Calcutta there are twenty-nine days observed as public holidays, besides a number of other days granted to various creeds or castes.

The official recognition of holidays to be observed by all persons, or by certain sections of those persons, employed in Government offices has generally been followed by the public and treated as a warrant for suspension of general business during the period of such holidays ; but, in the absence of any enactment giving the authority of law to that recognition, much doubt has always existed as to the rights of the public at large during such period ; and how far a Government resolution to keep certain days as holidays can interfere with public business engagements, or obligations, maturing, or

having their course, during the period selected as Government holidays. The same remark applies to the holidays fixed upon by the Chamber of Commerce at this port, which, on being advertised by the Chamber in the *Gazette* are, in virtue of the Order of Government of 14th February 1853, kept as complete holidays at the Custom House in addition to Her Majesty's Birthday, Christmas-day, and New-year's-day. These commercial holidays are not always identical with those declared by the Government. The Government are so good as to meet the wishes of merchants by permitting the Custom House to be closed only when mercantile offices are closed, and this boon is greatly appreciated by the mercantile community. But it is open to question whether such days are legal holidays in the strict acceptation of the term. It is suggested that the members of the Chamber can hardly by their mutual agreement, in the absence of an enactment by the Government, declare certain days to be holidays, and so affect the rights or liabilities of the general public who are not members of the Chamber, and the question has often been mooted whether the "Chamber holidays," as they are usually called to distinguish them from the Government holidays, can be counted in a contract where a certain number of days is specified as a period for the execution of a contract, or as days on which acceptance or payment of a bill, or any other negotiable instrument, may legally be demanded.

For example, in the case of Charter Parties where a certain number of working days are allowed to Charterers, has the Captain of the ship the right of claiming a continuance of work on days which members of the Chamber may have agreed to keep as holidays? He is not a party to the agreement for the observance of such holidays, and it is doubtful whether the members of the Chamber have the power to interfere with his right to have his ship worked within the number of days specified in his Charter Party. Then, in the case of the presentation of a bill for acceptance during such term of holidays, by a member of the public who is not a member of the Chamber, it is uncertain whether acceptance can be claimed as from the date of presentation on

the ground that the holder is no party to the agreement for keeping certain days holidays, a point that might seriously affect the interests of foreign merchants. Then, again, in respect to the maturity of bills, when members of the Chamber agree to keep certain days holidays, and are holders of bills which mature during those days, it is contended that they cannot demand payment from acceptors, who are not members of the Chamber, on the last day before the holidays commence. In the case of legal holidays there is an undoubted right to do so, but in the case of the holidays usually observed by the Chamber and recognised by the Government, this right has repeatedly been denied by acceptors among the general trading community ; and, as the interests of third parties on whose behalf bills may be held might be seriously affected were the holders to defer collection until *after* the holidays (affected for example by a failure of the acceptor, or by a fall in exchange if the proceeds have to be remitted to England), it seems desirable to have the legal status of such vacations defined by the law officers of the Government, and the Chamber, therefore, venture to request that the point may be so referred and an authoritative decision given for public guidance. Should those officers consider that a closing of the Custom House and other public offices by Government Order on certain days does not constitute those days legal holidays in the sense of their being privileged days, during which no act of business can be legally demanded, then the Chamber would ask the Government to take the whole question into their consideration and to pass an Act, if necessary, for declaring such days as might be agreed upon, in concert with the commercial community, to be legal mercantile holidays in the same manner as was done by the Bank Holidays Act in England.

I have, &c.,

A. MACKENZIE,
Chairman.

Referred to the Advocate-General for his remarks.

D. F. CARMICHAEL,
Chief Secretary.

From ERNEST BARCLAY, Esq., Government Solicitor, to the Chief Secretary to Government, dated Madras, 9th April 1878, No. 154.

I have the honor to acknowledge receipt of the Order of Government, dated 6th April 1878, No. 616, made on letter from the Chairman, Chamber of Commerce, to Government, dated 5th April 1878, requesting the Acting Advocate-General's remarks relative to the request of the Chamber of Commerce for an authoritative decision as to the legal status of the vacations notified by Government for public guidance.

I submitted the matter for the consideration of the Acting Advocate-General, and I now forward herewith a copy of his opinion and return the letter from the Chairman, Chamber of Commerce, above noted.

OPINION.

The obligations of parties to contracts are regulated by the Indian Contract Act. With regard to bills of exchange, promissory notes, and cheques, there is now I believe a Bill before the Legislative Council of the Governor-General, which, if passed, will declare the law. I am not aware of any legislative enactment which provides that holidays, whether fixed by the Government or the Chamber of Commerce, are to be excluded in determining questions arising upon mercantile contracts; and, in the absence of legislative enactment or usage, I think the appointment of holidays does not affect the rights or obligations of contracting parties. Any legislative enactment such as that suggested by the Chamber of Commerce should be passed by the Council of the Governor-General.

P. O'SULLIVAN,
Acting Advocate-General.

ORDER THEREON, 4th May 1878, No. 756.

The opinion of the Advocate-General will be communicated to the Chamber of Commerce, who are referred to the provisions of Section 26 of the Bill "to define and amend the law relating to promissory notes, bills of exchange, and cheques" now before the Imperial Legislature as apparently providing for the case which they bring under consideration. The section referred to runs as follows :—

"When the day on which a promissory note, bill of exchange, or cheque is at maturity is not a business day, the instrument shall be deemed to be due on the next preceding business day; but if the day of maturity is a public holiday, then on the next succeeding business day.

"*Explanation.*—The expression 'public holiday' includes Sundays, New-year's-day, Christmas-day,—if either of such days falls on a

Sunday, the next following Monday,—Good Friday, and any other day declared by the Local Government by notification in the Official *Gazette* to be a public holiday within the meaning of the Act."

D. F. CARMICHAEL,
Chief Secretary.

Chamber of Commerce, Madras, 5th July 1878.

TO THE CHIEF SECRETARY TO GOVERNMENT,
Fort St. George.

SIR,—The Chamber beg to acknowledge with thanks copy of Proceedings of Government, May Nos. 12 and 14, on the subject of public vacations, and in answer to this Chamber's letter of 5th April last.

The Chamber have perused with interest the opinion of the Advocate-General on the points brought to notice in their letter, and the Order of Government thereon, No. 756 of 4th May last.

As the order does not, in the Chamber's opinion, go sufficiently into the details of the matter, I am requested to submit the following further observations for the favorable consideration of Government.

The Advocate-General's opinion may be divided into two parts, one having regard to negotiable instruments, which he disposes of by reference to the "Negotiable Instruments Act" which has now been passed into law; the other having regard to questions arising upon mercantile contracts. The order of the Government deals only with the first of these two points, and makes no mention of the second and specially important one, the effect of the appointment of holidays upon the rights or obligations of contracting parties.

With reference to Negotiable Instruments, the Government Order refers the Chamber to the provisions of Section 26 of the new Act, which appears to provide sufficiently for the case of negotiable instruments *maturing* in holidays, but the Chamber do not find any reference to the question of presentment for acceptance during holidays, and the rights of holders in that respect. The Chamber would also venture to suggest that the definition of a public holiday, "any such days as the Local Government may so advertise in the District *Gazette*,"

is not a convenient arrangement. It frequently happens that the Local Governments and Commercial communities fix different days for the observance of certain anniversaries, &c., as public holidays. The Mercantile community are guided by the dates of despatch or receipt of foreign mails and similar causes which do not affect the Government holiday arrangements; and it is also often the case that the Government fix at Easter and Christmas a longer period of holidays than the trading community cares to observe. Such periods will no doubt be notified in the Official *Gazette*, and could therefore be claimed by certain traders as days of privilege from liability on payments, though manifestly this cannot be the intention of the Legislature. The object is really to provide privilege during a general temporary stoppage of all business.

In regard to the second point noticed by the Advocate-General, but on which Government has not passed any order, viz., the effect of an appointment of holidays upon the rights or obligations of contracting parties, the Advocate-General is undoubtedly of opinion that in the absence of any legislative enactment providing that certain days shall be observed throughout the Empire, or any Presidency of the Empire, as public holidays or days of privilege in matters of business, such holidays cannot be excluded from the days within which "term" contracts are to be completed. This is a point to which the Chamber, in their letter of 5th April, specially directed attention, for many disputes have already occurred in this Presidency and elsewhere, owing to the variance of opinion and usage in this respect. For example: to take the case suggested in paragraph 4 of the Chamber's letter, the Advocate-General's opinion appears conclusive that the Captain of a chartered ship has a right to claim a continuance of work on days which members of the Chamber may have agreed to keep as holidays, and that nothing but a legislative enactment ordering that those days should be observed as public holidays, can relieve such members of the Chamber from the obligation to continue loading or unloading the ship, even on days which they may be observing as holidays, and though they may have to pay double fees to the Custom-house to get permission to

carry on such work. Similarly, where a certain number of days are stipulated as a term within which certain contracts for deliveryof produce or other merchandise are to be completed, it seems clear by the Advocate-General's ruling, that no privilege can be claimed should any number of those days be publicly observed by members of the Chamber for their own convenience as holidays, unless the other party to the contract is also a party to the agreement to keep holiday.

I am, therefore, instructed to bring the subject once more to the notice of Government, and to repeat the petition of the final paragraph of the Chamber's letter of 5th April, viz., that an Act may be passed for declaring such days as may be agreed upon by the Government, in concert with the commercial community, to be legal mercantile holidays, in the same manner as was done by the "Bank Holidays Act" in England.

I have, &c.,
A. MACKENZIE,
Chairman.

Referred to the Advocate-General for such further remarks as he may have to offer on the subject, in continuation of the papers recorded in G.O., 4th May 1878, No. 756.

D. F. CARMICHAEL,
Chief Secretary.

18*th July* 1878.

From E. BARCLAY, Esq., Government Solicitor, Madras, to the Chief Secretary to Government, dated 22nd July 1878, No. 289, forwarding the following opinion of the Advocate-General :—

OPINION.

In order to give effect to the desire of the Chamber of Commerce, Madras, it would be necessary that the Government of India should legislate. Such legislation would have the effect of modifying the Contract Act, and might also affect the Limitation Act, the Civil Procedure Code and other Acts which require certain acts to be done within a specified time. In my opinion, concurring with the Chamber of Commerce, such legislation is advisable. I ought to add that the same result may be secured by contract that is to say by a stipulation in every contract that the time mentioned in the contract is not to include such holidays as may be declared to be holidays by the Chamber of Commerce.

MADRAS,
20*th July* 1878.

P. O'SULLIVAN,
Advocate-General.

ORDER THEREON, 19th August 1878, No. 1,667.

Govt. Procs., 4th May 1878, No. 756, Public.

In their letter of the 5th April 1878, the Chamber of Commerce, Madras, represented the desirableness of passing a Law to declare such days as might be agreed on, in concert with the commercial community, to be legal mercantile holidays in the same manner as was done by the Bank Holidays Act in England. After consulting the Advocate-General, the Chamber were referred by G. O., 4th May 1878, No. 756, to Section 26 of the Negotiable Instruments Bill, now in its third stage, providing that when a note is at maturity on a non-business day, it shall be deemed to be due on the next preceding business day; but if the day of maturity is a public holiday, then on the next succeeding business day; the explanation attached to the section prescribing that "public holiday" includes Sundays, New-Year's day, Christmas day, Good Friday, and any other day declared by the Local Government by Notification in the *Gazette* to be a "public holiday."

In their present letter the Chamber submit that the foregoing provision does not go far enough. They represent—

I, that although the Negotiable Instrument Bill provides for instruments maturing in holidays, it makes no reference to the question of presentment for acceptance during the holidays and the rights of holders in that respect;

II, that the definition of "public holiday," viz., "any such day as the Local Government may so advertise in the District *Gazette*," is not a convenient arrangement, because the Government and the Mercantile community may fix different days; the latter being governed by despatch and receipt of foreign mails, which do not affect the Government;

III, that the Government fix longer periods at Easter and Christmas than the trading community care to observe; while from the fact of the holidays being notified, traders might claim these days as days of privilege from liability to payments; and

IV, that Government have not passed any order as to the effect of an appointment of holidays on the rights and obligations of contracting parties; the Advocate-General being of opinion that, in the absence of a Law prescribing that certain days shall be observed as holidays throughout the Empire, such days cannot be excluded from the days within which *term contracts* are to be completed, so that for example, a Captain of a chartered ship would have the right to claim continuance of work on days which the Chamber might have agreed to keep as holidays, at the cost to the other parties of double fees to the Custom House to carry on such work.

The Chamber accordingly renew their application for a law to declare certain days to be observed as legal mercantile holidays.

The Advocate-General is in favor of the proposition under notice, but states that such legislation would modify the Contract Act, and might also affect the Limitation Act, the Code of Civil Procedure, and such other Acts as require certain things to be done within a specified time. He, at the same time, adds that the like result could be secured by private contract, viz., that the contract time is not to include such holidays as may be declared to be holidays by the Chamber of Commerce.

Having again considered the subject, His Grace the Governor in Council does not see that any sufficient cause has been shown for special legislation in the direction suggested by the Chamber of Commerce. It seems to His Grace in Council that the Chamber have mistaken the scope of the holidays notified in the Official *Gazette* for observance by the several Government offices, which are not in any sense public holidays binding the general public in the manner that Bank holidays under the Act do in England, but are merely periods of relaxation allowed to the servants of Government, provision being made for the due conduct of public business necessary.

The difficulty as to loading or unloading a chartered ship, suggested by the Chamber of Commerce, is what must occur in

all parts of the world, if not duly provided for in the Charter party to contract under which the service is being performed. In fact the difficulties suggested are within the merchants' own power of remedy. The Chamber's letter indicates a desire to multiply such days as legal holidays, which, in the opinion of the Government, is not desirable.

The policy of fettering the general public by a law on holidays being extremely doubtful, His Grace the Governor in Council is of opinion that before any further action is taken, actual, not supposed, cases of hardship should be stated, in order that it may be seen whether the grievance suggested is a real and substantial one that cannot be remedied without legislation, or that may be removed by legislation without prejudice to other parties.

D. F. CARMICHAEL,
Chief Secretary.

Chamber of Commerce, Madras, 21st October 1878.

TO THE CHIEF SECRETARY TO GOVERNMENT,
Ootacamund.

SIR,—The Chamber have had under their consideration the Proceedings of Government, Judicial Department, dated 19th August last, No. 1667, on the subject of legal Mercantile holidays.

In paragraph 6 of the order of Government the Chamber note that "His Grace the Governor in Council is of opinion that before any further action is taken, actual, not supposed, cases of hardship should be stated in order that it may be seen whether the grievance suggested is a real and substantial one that cannot be remedied without legislation, or that may be removed by legislation without prejudice to other parties."

"Dispute," "inconvenience" or "annoyance," would better express the more *usual* consequences of the present uncertainty than "hardship," but the Chamber can mention two cases of actual hardship or loss which have occurred during the present year.

In December last the steamer "Tunis" was chartered at Bombay for England, and completed loading by the 15th

January; the Captain claimed demurrage for several days during the "Christmas holidays" on which no work had been done. The Charterers refused to admit the claim, pleading that holidays were not working days; and he then refused to sign the Bills of Lading except under protest, with the intention of claiming his demurrage before giving up the goods at port of delivery. The Charterers refused to allow him to put any remarks on their Bills of Lading and claimed a clean receipt for their goods. The Captain then refused to sign any Bills of Lading and left the office on his way to the ship first taking up all the mate's receipts for goods shipped. The Charterers immediately gave him into custody on a charge of theft of the said receipts; his departure from the port was delayed for a couple of days in consequence, though previously the ship had steam up and was ready for sea. When the case came up for final disposal before the Magistrate, it was dismissed on the ground that the Captain's conduct was "indiscreet, but nothing worse," and that there was "no evidence of criminal intention" to support a charge of theft. The Captain went to sea without signing bills of Lading; how the matter was ultimately settled the Chamber has not learnt, but no doubt by payment of the demurrage claimed in England before delivery of the goods.

The Barque *Elliott*, Captain W. A. Mackay was loading at Cochin for London, last December—January. By her Charter Party forty weather working days were to be allowed the Charterers for loading, &c.

Before the Christmas holidays notice was circulated by the Superintendent of Sea Customs at Cochin that the Custom House would be closed for the Christmas holidays from 22nd December to Wednesday 2nd January, both days inclusive, but that emergent business could be transacted on payment of extra fees.

On receipt of this notice Captain Mackay sent notice to Charterers' Agents that he claimed continuance of loading on all the days named by the Superintendent of Sea Customs except the usual holidays of Christmas day and New-Year's day, but rather than cause dispute he would himself pay the extra custom fees.

The Charterers' agents replied that the term "weather working days" excluded all legal holidays and that the days sanctioned by Government for closing the Custom House and Master Attendant's office for Christmas vacation *were legal holidays* and therefore could not count. The case was referred to this Chamber for arbitration and was decided by a majority in favor of the Charterers.

The above cases are fairly illustrative of the many disputes that arise through the absence of any statutory arrangement for observance of certain days of the year as legal holidays, or days of privilege from the usual obligations of business. In other branches of mercantile work besides that connected with ships, inconvenience and annoyance is caused for want of a fixed system having the force of Law. Were certain days of the year named as legal holidays all doubt would be avoided and those who chose to keep holiday on any other days would do so at their own risk. At present in the absence of any distinct law every little community becomes a law to itself in these matters—a state of things which "outsiders" sometimes find inconvenient, not only in loss of time, but in loss of money.

I have, &c.,

A. MACKENZIE,

Chairman.

J.

THE MASTER AND SERVANT BILL.

Proceedings of the Madras Government, Judicial Department, 8th April 1878.

Read the following letter from the Officiating Secretary to the Government of India, Home Department (Judicial), dated Fort William, 30th March 1878, No. 9—416.

ORDER THEREON, 8th April 1878, No. 739.

The Government of India having requested this Government to procure and submit for their information the views of such public bodies as may be considered especially competent to give

an opinion on a Draft (revised) Bill to define and amend the law relating to Master and Servant, His Grace the Governor in Council resolves to forward copies of the Bill and of the Statement of Objects and Reasons accompanying it to the Madras Chamber of Commerce and the Madras Trades Association, with the request that they will favor the Government with an expression of their opinions on the provisions of the proposed measure.

D. F. CARMICHAEL,
Chief Secretary.

Chamber of Commerce, Madras, 15th May 1878.

TO THE CHIEF SECRETARY TO GOVERNMENT,

Ootacamund.

SIR,—I have the honor to acknowledge receipt of the proceedings of the Madras Government 8th ultimo, handing a copy of the revised Bill of the Government of India for defining and amending the law relating to Master and Servant, for an expression of the opinion of the Chamber.

While glad to be able to state that in their judgment the present Bill is a great improvement on the draft which was published by the Government last autumn, the Chamber regret to be unable to perceive that any necessity yet exists for legislation in so confined an area as that indicated in the Bill. The measure is expressly made inapplicable to Hindoo, Mahomedan and Budhist masters, and its application is thereby limited to European and Eurasian masters and their employés and servants. But the Chamber fail to see on what principle the operations in a mill-foundry, tannery, &c. &c., or coffee estate or Indigo concern owned by Hindoos, &c. should be placed on a different footing to those working on similar concerns owned by Europeans. Speaking as European employers the Chamber are of opinion that, in this Presidency, the want of such a measure so far as concerns domestic servants has yet to be proved, while in other relations of employer and employed the act in some cases is insufficient and in others would prove unsuitable. The relations of European and Eurasian masters and domestic servants in Southern India are usually speaking harmonious; and it is open to doubt whether

the Legislature need go out of its way to define and amend those reciprocal responsibilities which are already generally understood and observed. Should the Bill become law there is not much chance of its aid being invoked by masters, since local usage will continue to regulate the relations of employers and employed; and it will rarely indeed be worth the while of the former to exercise the rights conferred upon them by the measure. And, as to the servants, it is probable that none but those of indifferent qualifications and character will be tempted to put the law in force against their employers. In practice therefore, so far as regards domestic service, the Bill is only too likely to become inoperative, and in that case it will take rank among those enactments which seem to have no "*raison d être*" in the Indian Statute Book. The Chamber trust, therefore, that they may be pardoned for believing that the Government of India will act wisely by indefinitely postponing the addition of the Bill under reference to the already too numerous, complicated and puzzling laws of this country.

At the same time the Chamber venture to point to a direction in which the Government may promote the well-being of a large section of the community by a wise definition of the mutual obligations of masters and servants. The time, they feel, has not yet arrived, when it is expedient for the Government to concern themselves about the privileges of household servants; but the time arrived long ago, when it became the duty and the interest of the executive to place the relations of employers and employed on coffee and other estates in manufacturing establishments trading concerns, &c., on an equitable footing. In the absence of legislation defining the responsibilities on each side, the coolies, artisans, &c. in such employments may be said to have it all their own way, as the master has virtually no means of putting a reasonable check upon their caprices. In Ceylon, Mauritius and elsewhere, laborers who have resorted thither from India, are subjected to certain strict rules, or ordinances, devised by impartial jurists for the present and ultimate welfare of all parties concerned; but in India, which has even greater need than the colonies to foster planting and industrial enterprise, laborers and artisans are practically free

from magisterial control. For example desertion after receipt of advance is a common occurrence, but it is almost impossible to divert police from their other duties to hunt up runaway coolies, and if caught the remedy is a civil suit, for damages for breach of contract, against a man who has no means of paying such damages when awarded by Magistrate. The imaginary wrongs sustained by dressing boys, cooks, gardeners, coachmen, and grooms at the hands of their European masters, which it would seem to be the special object of the 'Master and Servant' Bill to redress, must be admitted to pale into insignificance when compared with the injuries sustained by planters, manufacturers or contractors at the hands of their idle or insubordinate coolies or artisans on those occasions, which frequently arrive, when refusal to work, desertion after receipt of advances, &c. &c., involve loss of crop ready to be picked, or of a favourable season for planting, or the impossibility of completing work within contract date. To show, therefore, a profound solicitude for the petty grievances of the litigious portion of domestic servants, while no attempt is made to remedy the lawlessness in the planting districts which has been so frequently and so urgently pressed on the notice of the Local and Supreme Governments, as well as on the personal attention of H. E. the Viceroy, seems to the Chamber to be an injudicious application of legislative energy.

With advertence to the provisions of the Bill under reference I am desired to point out that as by local usage "the wages of tutors, governesses, and managers of tea gardens, coffee plantations and indigo concerns" are paid month by month instead of quarterly, as in England, one month's notice on either side of an intention to terminate an engagement, should be deemed sufficient, in justice to both parties, instead of three months as laid down in the Bill. Consequently the class of employés enumerated in para. (d) of section 7, may be included in the class mentioned in para. (f) of the same section :—viz. "Clerks and all other servants not hereinbefore provided for" with regard to whom a month's notice only is required.

In the same Section it is provided that (d) a contract "with artisans and workmen is terminable at the will of either party, by notice to the other that the service is at an end."

This is not considered just to employers who might be caused the greatest inconvenience by the sudden retirement from their service of persons indispensable in driving machinery, superintending manufactures, and giving other skilled aid which cannot be readily replaced in India. The Chamber therefore suggest that as in the case of (b) "domestic servants," fifteen days' notice should be compulsory on either side to render the termination of a contract such as that referred to valid between artisans and their employers.]

I have, &c.,

A. MACKENZIE,
Chairman.

K.

PROPOSED INCREASE OF PORT DUES.

Proceedings of the Madras Government, Marine Department, 26th March 1878.

Read the following letter from J. H. TAYLOR, Esq., Lieutenant, R.N.R., Master Attendant, Madras, to the Chief Secretary to Government, dated 30th November 1877.

In compliance with Order of Government in the Marine Department, No. 633 of the 20th Instant, I have the honor to submit herewith a Tabular Statement shewing all port appointments in existence in this Presidency with the emoluments attached to each and the source from whence derived.

2. I also enclose a statement shewing the average additional emoluments earned by the several officers of the Marine Department with the years on which the average annual amount has been estimated. These emoluments were derived from the following sources:—

Fees under Act X of 1841; Merchant Shipping Act of 1854; Act XXV of 1859; Acts XII of 1870 and 1872; Act XII of 1875; the Boat Rules, and for overtime or work out of office hours; Percentage on Flotsam and Jetsam as Receivers wreck; Commission on granting Money orders to Seamen, and Salvage fees.	All variable and unreliable sources.

3. With reference to paragraph 3 of the order under acknowledgment, I have to report that all *sanctioned establishments* can

be paid from Port Funds; but I would respectfully remark that if this be done all other charges will have to be borne by Imperial Revenues. But at the same time I would remark that the Marine of this Presidency, serving so directly as it does all the purposes of seaborne commerce, should be made self-supporting, and no such favorable opportunity as the present is likely to recur. I therefore take this opportunity of bringing to the notice of Government that since 1857 the lights marginally noted have been added to those previously exhibited on the coasts of this Presidency, and yet no additional charges have been made for the benefits thus conferred on shipping interests, and I submit for the consideration of Government that very small Light dues should now be levied to cover the additional expenditure incurred on their account* and improvements of various kinds effected at many of the ports.

Gopaulpore.	Masulipatam.
Calingapatam.	Pulicat.
Vizagapatam.	Muttum.
Cocanada.	

* Besides additional expenditure incurred in opening up the following ports :—

Ganjam.	Porto Novo.
Gopaulpore.	Nagore.
Calingapatam.	Beypore.

4. I enclose a statement showing the amount I would propose to be charged for each light, and by this means the Port Fund would always be maintained in a perfectly solvent condition, from which allotments might be transferred annually to a Reserve Fund for the purpose of meeting any extraordinary expenditure for Marine works of any local nature. Act XII of 1875 however makes no provision for the levy of Light dues, and it will therefore be necessary, in the event of Government favoring my proposal, to place the matter before the Government of India in view to an Act being passed legalizing the levy of Light dues either at the rates shown in the enclosed statement, or by payment of a general fee on *first entry* (to which several grave objections may be urged) at any Madras port, which would render a vessel free of all other ports in the Presidency for the voyage. The first scheme I propose however has this advantage that vessels would only pay for the lights of the ports they actually enter, or the lights the dues for which would necessarily be collected at those ports, whereas by paying a general fee a vessel bound round the coast and touching at only one or perhaps two ports would have to pay the same as if she touched

at all of them; this would be scarcely justifiable, especially in the case of sailing vessels coming on the coast to load at one port.

5. In the event of neither proposal being approved of, I would suggest an alternative measure, viz., raising the Port dues three pies per ton at all the ports: an amount calculated on the total tonnage for a year (1875-76 being taken as an example) would yield as follows:—Tons 3,347,966 x 3 pies = Rupees (52,311-15-6) fifty-two thousand three hundred and eleven, Annas fifteen, and Pies six.

6. Either of these measures—to which no reasonable objection can be taken—would place the Port Fund of the Presidency in a position to meet all but very exceptional demands, and would obviate the necessity of perpetual reference to the Government of India, or the Superintendents of Marine of Calcutta and Bombay, who cannot from the nature of things be kept informed of minor details connected with the Maritime interests of Madras, and cannot have the power of disposing of its funds. On the whole the most independent and satisfactory measure would be a general rise of three pies a ton—a sum so insignificant as to call for no remonstrance, and one not appreciably felt.

ORDER THEREON, 15th January 1878, No. 24.

Adverting to the suggestion contained in para. 5 of the Master Attendant's letter, viz., to raise the Port dues by three pies per ton at all ports, His Grace the Governor in Council desires that the Chamber of Commerce be requested to favor the Government, at an early date, with an expression of their opinion on the point.

J. STURROCK,
Under Secretary.

Chamber of Commerce, Madras, 5th February 1878.

TO THE UNDER SECRETARY TO GOVERNMENT,
Revenue Department.

SIR,—I have the honor to acknowledge receipt of the Proceedings of Government, Marine Department, 15th January, with reference to the proposal of the Master Attendant that Port

dues be raised 3 pies per ton at all ports in order to place the Port Fund of the Presidency in a position to meet all but very exceptional demands.

In reply, I am desired to say that the information before the Chamber is insufficient to enable them to offer the opinion about the desirability or otherwise of the Master Attendant's plan which the Government have been so good as to invite, and I am to ask you to solicit His Grace the Governor in Council to allow the Chamber to be placed in possession of the following statements of particulars bearing immediately on the question :—

(1.) A copy of the Tabular Statement above referred to.

(2.) A statement of the Dues collected at each port.

(3.) A statement of the Marine expenditure and net income at each port.

(4.) A list of ports at which no dues are now levied.

(5.) A statement of the average amount of native tonnage frequenting each port.

(6.) A statement of the average amount of dues collected from native craft at each port.

On receipt of this information the Chamber will be happy to give the subject further consideration, and to communicate their opinion to the Government.

I have, &c.,

A. MACKENZIE,
Chairman.

ORDER THEREON, 9th February 1878, No. 91.

Ordered that copy of the foregoing letter be forwarded to the Master Attendant, Madras, with request that he will furnish the Chamber of Commerce, at an early date, with the statements asked for.

D. F. CARMICHAEL,
Chief Secretary.

Marine Office, Madras, 14th February 1878.

To the Chairman Chamber of Commerce,
Madras.

Sir,—Referring to your letter to Government of 5th instant, forwarded to me for attention, I have the honor to furnish the information asked for, and to add for your further instruction these following remarks. When the Act defining the amount of Port dues, and the places in which they were to be levied, became law, it was calculated that the amount raised would have covered all the expenses of the Presidency Marine; but the trade on this wide sea board of Madras has become so extraordinarily developed, that its proportions have far surpassed all expectation. Numbers of new Ports and Light Houses with their establishments have been created, all tending to extend and improve the trade of the country and the shipping interests. It has been hitherto thought expedient to debit these extraordinary expenses to imperial or provincial services, in perference to altering the rates of Port dues, but it is clear that independently of the imperative necessity of fresh taxation at this period, it is evidently time that the whole subject should be considered, for no one will dispute the fact that of all branches of Revenue to Government, the Mercantile Marine portion should be at least self-supporting, offering as it does direct advantages in return for receipts. It is my duty to point out that this desirable object can be obtained without pressing upon any one interest, but simply reorganizing and arranging the materials at hand, with the addition of a small charge of three pies a ton for Light dues, which are not paid at all at present.

2. The first subject to which I would invite attention is the fact that, owing to exemptions, to remissions, to reductions in favour of certain interests, none of which appear to me necessary or politic, the proportion of Tonnage to Port dues on the whole annual returns of the Presidency, instead of being realized as fixed at 2 annas for minor ports, and 3 for the large ports, is only 8 pies, while for the Port of Madras itself the proportion of dues collected to tonnage is only 1 anna 4 pies instead of annas 3. The system of grouping is partly accountable for this discrepancy, but the native trade only pays half dues in all ports where dues

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are collected, and none in the many minor ports not brought under the operation of the Act.

3. The sources from which I propose to render the Port Fund available are therefore, 1st a Light due of 3 pies a ton wherever and whenever dues are collected, which will secure a reliable amount at once. 2nd an introduction of several of the minor ports, some of which have large trade, into the lists of those collecting dues. 3rd raising the dues on native vessels from half to three quarters. I have been unable to find any reason on record for this exemption of native trade. 4th placing the Paumben channel within the operation of the Act, and levying a toll of some few pies, say three, on vessels availing themselves of the pass. At present only a small pilotage is charged, but we are about to dredge it thoroughly with the new vessel "Albuquerque," and great results may be hoped for, but at a corresponding expense; while the port being now imperial, and the "Albuquerque" Port Fund, accounts, one of the many complications due to this mixed system will have to be rectified, which may be done as proposed.

4. From these resources a Committee might readily and equitably arrange and dispose a new system of Port Fund, which should at once place the Marine independent of much that now impedes its advance. The Committee should be well represented from the Chamber, so as to ensure the interests of trade being respected, while all Marine requirements might be met. In quoting rates of increase or alteration, I do not mean to forestall the opinions of such a Committee. After due deliberation and calculation the best and most equitable arrangement will soon suggest itself.

5. As regards the surplus balance I have represented as necessary, it is easily explained by the conditions of Marine expenditure being generally emergent. The sea board possesses no natural harbour or ordinary facilities, and the efforts made to supplement this want involves sudden and often expensive demands on the Port Fund, to say nothing of the improvements which are so constantly required in every direction, if the present necessity of budgeting for funds, and addressing the Government of India on the smallest matters, as is done at present,

is to be continued, delays still greater than even now exist must be reckoned upon. It often happens that accidents occur to flagstaves, boats, dredges, piers, erosion of shores demanding sudden groynes, and the surplus is required to meet these, also some of our Ports are in chronic states of repair and alteration.

I have, &c.,

J. H. TAYLOR,

Master Attendant Administrative Department.

No. 1.

Lights.	Tonnage of Ports for 1875-76.	Charges for 1875-76.	Proposed Light dues.	Estimated Receipts.
		Rs.		Rs. A. P.
Gopaulpore ...	1,65,101	659	1 pie per ton	859 14 5
Calingapatam ...	1,00,986	432	do do	525 15 6
Bimlipatam / Santapilly Light	2,18,022	1,577	3 pies per ton	3,406 9 6
Vizagapatam Dolphin's nose Light	1,99,725	1,229	1 do do	1,040 3 9
Coconada Port do	2,70,672	1,029	1 do do	1,409 12 0
Hope Island do		2,801	3 do do	4,229 4 0
Masptm. Port do	1,44,449	585	1 do do	752 5 5
Point Divi do		1,603	3 do do	2,257 0 3
Madras	5,91,393	7,527	3 do do	9,240 8 3
Pulicat	say ⅓rd of above	1,594	1 do do	1,026 11 7
Armeghon	uses these lights.	1,415	1 do do	1,026 11 7
Negapatam ...	2,44,283	413	2 do do	2,544 9 10
Paumben (Light and Buoys)	1,73,162	518	3 do do	2,705 10 6
Tuticorin Pt. Light	1,99,231	666	2 do do	2,075 5 2
Muttum do		785	1 do do	1,037 10 7
Cochin Port do	1,92,784	544	2 do do	2,677 6 8
Muttum do		785	1 do do	1,338 11 4
Calicut ...	2,21,678	779	2 do do	2,309 2 4
Tellicherry ...	1,50,178	403	1 do do	782 2 10
Cannanore ...	1,58,124	389	1 do do	823 9 0
Mangalore ...	3,18,178	595	1 do do	1,650 14 10
¼÷	3,347,966			
16÷	8,36,991- 6-0			
Rupees...	52,311-15-6		Total Rs....	43,720 3 4

No. 2.—Statement of the dues collected at each port in the Madras Presidency taking the year 1875–76.

	Amounts.		
	Rs.	A.	P.
Ganjam	567	11	0
Gopaulpore	18,103	15	6
Calingapatam	1,696	13	0
Vizagapatam	2,333	1	6
Bimlipatam	6,947	9	6
Cocanada	15,096	0	0
Coringa	653	0	0
Masulipatam	3,385	14	4
Cuddalore	1,424	11	9
Porto Novo	1,160	4	6
Tranquebar	397	11	9
Nagore	835	6	3
Negapatam	7,706	4	10
Tuticorin	23,438	3	5
Cochin	24,123	3	0
Beypore	1,218	9	0
Calicut	11,573	4	9
Tellicherry	2,933	2	0
Cannanore	2,570	15	6
Mangalore	4,763	11	0
Madras	51,161	13	9
Rupees...	1,82,091	6	4

No. 3.—Statements of the Marine expenditure and net income at each port of the Madras Presidency taking the year 1875-76.

	Receipts.			Disbursements.		
	Rs.	A.	P.	Rs.	A.	P.
Ganjam	588	11	6	705	13	6
Gopaulpore	18,285	15	4	2,168	13	1
Calingapatam	6,811	12	9	2,479	8	6
Bimlipatam	7,314	5	1	2,338	13	7
Vizagapatam	2,548	11	5	3,964	10	10
Cocanada	19,442	15	10	28,260	6	1
Masulipatam	3,578	9	2	3,683	11	4
Cuddalore	1,487	3	0	717	6	10
Porto Novo	3,107	13	5	424	5	3
Tranquebar...	397	11	9	361	14	0
Negapatam and Nagore	10,286	11	9	4,746	6	3
Tuticorin	23,898	15	5	3,496	12	1
Cochin	26,155	4	2	7,310	15	3
Calicut and Beypore	14,149	5	0	9,667	1	5
Tellicherry	2,982	2	0	1,170	4	3
Cannanore	2,642	14	1	1,153	3	11
Mangalore	5,524	15	6	2,754	10	11
Madras	89,185	0	0	76,884	8	5
Total Rs...	2,38,389	1	2	1,52,289	5	6

Note.—The receipts include port dues, pier tolls, sale proceeds of flotsam and jetsam, &c., &c., &c.

The present system of Disbursements include only a portion of the Marine expenditure. A statement comprising the whole for one year is annexed.

Statement showing the various heads under which the annual Marine expenditure is now met from according to the Budget Estimates for the year 1878-79.

	Provincial.	Imperial.	Port Fund.
Madras.	Rs.	Rs.	Rs.
Establishment and Contingencies ...	...	34,942	70,760
Outports.			
Do. do.	344	34,635	53,845
Vessels.			
Do. do.	...	29,144	19,912
Public Works Expenditure	...	*6,250	33,540
Sundries	...	3,000	...
Pensions	...	3,951	4,700
	344	1,11,922	1,82,757

* Not including Rupees 75,000 on account of Light house at Muttum proposed to be built.

No. 4.—A List of ports at which no dues are now levied in the Madras Presidency.

Barwah ...	Invaladinne ...	Badagara
Sonnapore ...	Iskapalli ...	Quilandy
Poondy ...	Ponnapudi ...	Tanur
Bavanapad ...	Mypadu ...	Ponany
Conada ...	Kistnapatam ...	Chowghat
Pudimadaka ...	Pamanjee ...	Kulasagarapatam
Pentacottah ...	Toopili ...	Coilpatam
Narsapore ...	Dugarazapatam ...	Keelakaray
Nagayalunka ...	Tirrumullavassal ...	Devipatam
Nizampatam ...	Kodiampolayam ...	Paumben
Kottapalem ...	Valangany ...	Tondy
Penumudi ...	Toputtorai ...	Mulky
Martota ...	Muttupettai ...	Manjeshwar
Gangadipalem ...	Adrempatam ...	Kumbla
Ipurupalem ...	Ammapatam ...	Kassergode
Motupalli ...	Kuttumavadi ...	Udipy
Kottapatam ...	Krishnajipatam ...	Barkar
Itamukkala ...	Kottaipatam ...	Kundapur
Pakala ...	Gopalapatam ...	Bainder
Ramayapatam ...	Sundrapandiganpatam	Nackinkatta
Tummalapenta ...	Kallai ...	

No. 5.—A Statement of the average amount of Native tonnage frequenting each port taking the years 1874-75 *and* 1875-76.

	Tonnage.		Tonnage.
Ganjam	277	Ramayapatam	404
Gopaulpore	3,236	Tummalapenta	724
Barwah	4,382	Invvaladinne	324
Sonnapore...	396	Iskapalli	634
Calingapatam	1,829	Ponnapudi	420
Poondy	1,807	Mypadu	339
Bavanapad...	480	Kistnapatam	4,165
Vizagapatam	8,964	Pamayee	596
Bimlipatam	1,278	Toopili	803
Conada	176	Dugarazupatam	213
Pudimadaka	472	Cuddalore	16,692
Pentacota	812	Porto Novo	17,250
Cocanada	17,901	Terrumillavassal	11,537
Coringa	8,124	Kodiampolayam	982
Narsapore	4,522	Tranquebar	6,518
Masulipatam	12,961	Nagore	7,797
Nagayalunka	576	Negapatam	133,585
Nizampatam	9,414	Velangany	1,342
Kottapalem	9,964	Toputtorai	7,564
Penumudi	72	Muttupettai	13,728
Martota	212	Adrampatam	12,094
Gangadipalem	500	Ammapatam	2,679
Ipurupalem	14,424	Kattumavadi	461
Motupalli	5,578	Krishnajipatam	537
Kottapatam	18,721	Kottapatam	1,333
Itamukkala	10,708	Gopalapatam	301
Pakala	2,571	Sundrapandiyanpatam ...	17

No. 5.—A Statement of the average amount of Native tonnage frequenting each port taking the years 1874-75 *and* 1875-76.—*(Continued.)*

	Tonnage.		Tonnage.
Cannanore	33,548	Devipatam...	68,621
Tellicherry...	24,226	Paumben	167,930
Kallai	5,044	Tondy	18,589
Badagara	15,342	Mangalore...	65,557
Quilandy	9,863	Mulky	9,752
Calicut	96,097	Maryeshwar	4,077
Beypore	21,417	Kumbla	5,271
Taum	7,645	Kassergode	7,602
Ponany	31,063	Udipy	9,571
Chowghat	2,835	Barkur	16,004
Cochin	52,061	Kundapur	20,749
Tuticorin	43,204	Baindur	4,805
Kulasagarapatam... ...	14,831	Nackinkatta	706
Coilpatam	4,300	Madras	56,099
Keelakaray	48,590		

No. 6.—Statement showing the average amount of dues collected from Native craft at each port taking the years 1874-75 *and* 1875-76.

	Amount.					
	Rs.	A.	P.			
Ganjam	14	14	3	on	277	ton
Gopaulpore	212	13	9		3,236	
Calingapatam	180	3	6		1,829	
Vizagapatam	493	13	3		8,964	
Bimlipatam	68	8	0		1,278	
Cocanada	1,336	12	3		17,901	
Coringa	729	7	8		8,124	
Masulipatam	649	10	6		12,961	
Cuddalore	738	14	10		16,692	
Porto Novo	972	10	3		17,250	
Tranquebar	336	8	10		6,518	
Nagore...	650	6	0		7,797	
Negapatam	3,614	11	2		1,33,585	
Tuticorin	2,001	1	6		43,204	
Cochin	3,874	11	3		52,061	
Beypore	661	9	6		21,417	
Calicut	7,166	11	4		96,097	
Tellicherry	843	11	0		24,226	
Cannanore...	1,016	1	10		33,548	
Mangalore	845	0	0		65,557	
Madras	4,445	15	2		56,099	
Rupees...	30,853	14	10		6,28,621	Pies. per ton 9 424

MADRAS,
MARINE OFFICE,
14th February 1878.

J. H. TAYLOR,
Master Attendant,
Administrative Department.

Chamber of Commerce, Madras, 8th March 1878.

To the Chief Secretary to Government,

Fort St. George.

Sir,—I have the honor to inform you, with reference to the orders of Government of the 15th January and 9th ultimo, relative to the proposal of the Master Attendant to raise Port dues, that the Chamber are not satisfied by the information which had been placed before them that such increase is actually required, but they incline to the opinion that, by enhancing the dues demanded of native shipping and by bringing many ports which are now "free of dues" though largely resorted to by the coasting trade into the category of duty-paying ports, the additional revenue that is said to be needed may be obtained without increasing the liabilities at other ports. The subject is however one that it seems to the Chamber may well be considered by a Special Committee composed of members of the Marine Department and two members of the local Chamber; and this Chamber will be glad to see such a Committee appointed for the consideration of the subject.

I have, &c.,

A. Mackenzie,

Chairman.

Order thereon, 26th March 1878, No. 192.

His Grace the Governor in Council accepts the suggestion made by the Chamber of Commerce, and resolves to appoint a Special Committee, consisting of the Master Attendant, Madras, two members of the Chamber of Commerce, whom the Chairman will name, and the Sub-Secretary of the Board of Revenue, to enquire into and report on the proposal submitted to Government by the Master Attendant, Madras, in his letter dated the 30th November 1877, No. 8,420, to raise the Port dues at all ports, so as to place the Port Funds in a position to meet all but very exceptional demands.

D. F. Carmichael,

Chief Secretary.

Marine Office, Madras, 3rd April 1878.

To the Chairman Chamber of Commerce,
Madras.

Sir,—Referring to Proceedings of Government, in the Marine Department, No. 192, of 26th ultimo, I have the honor to request you will be good enough to favor me, at your early convenience, with the names of the two members whom you intend proposing to represent the Chamber in Committee, and also name the time most suitable to them for holding the enquiry, which for convenience of ready reference to the records should be held at my office.

I have, &c.,
J. H. Taylor,
Master Attendant.

Chamber of Commerce, Madras, 9th April 1878.

To the Master Attendant,
Madras.

Sir,—I have the honor to inform you in reply to your letter of the 3rd instant, that Messrs. C. A. Ainslie and G. Jackson have been appointed by the Chamber and have expresed their willingness to serve on the Special Committee appointed by the Government in their Proceedings of the 26th ultimo to report on your scheme for the enhancement of Port dues in this Presidency.

I have, &c.,
A. Mackenzie,
Chairman.

L.

PROPOSED EXTENSION OF THE VALUE-PAYABLE SYSTEM TO OVERLAND PARCELS.

Calcutta Trades' Rooms, 28th March 1878.

To the Secretary Chamber of Commerce,
Madras.

Dear Sir,—As it is the intention of Government to consult the representative bodies in India in reference to the system of value-payable parcels recently introduced into the

Post Office, I am directed to forward for the consideration of the Committee of the Chamber, the accompanying correspondence which has passed between ourselves, the Director General of the Post Office, and the Government of India on the subject.

2. The feature of this scheme most worthy of remark is, that the Post Office will *collect and remit* the value of a parcel, and failing to do this, *deliver back* the parcel to the sender. It is already doing so in connection with parcels tendered in India, and it now contemplates the extension of the system to *Overland parcels* booked *in London* for delivery *in India*. Against the extension the Committee of the Calcutta Trades' Association have strongly protested, basing their objections on grounds which they think clearly show that, apart from the injury which it must ultimately cause to all engaged in trade, whether wholesale or retail, in India, it is neither essential to the convenience of, nor called for by the general public, which has already ample conveniences for fitting out and paying for goods from England, in the Money Order and Overland Parcel Post systems. The Committee think that there surely must be *limits* within which it is the province of Government to "benefit the general public," and the proposed scheme appears to them to be a direct interference with the legitimate trade of all those who have sunk capital in building up the Commerce, both wholesale and retail, of this country. If the Committee of the Chamber after carefully considering the correspondence, coincides in our views, the Association will be very glad of their support in the matter.

I remain, &c.,

E. HICKIE,

Secy. Calcutta Trades' Association.

Calcutta Trades' Rooms, 8th December 1877.

TO THE DIRECTOR-GENERAL OF THE POST OFFICE IN INDIA,

Calcutta.

SIR,—In your Notification of the 1st November 1877, relative to the introduction into the Indian Post Office of a system of "value-payable" parcels, it is stated that the system "will shortly be extended to 'overland parcels' booked in London for delivery in India."

2. The Committee of the Association desire to protest most strongly against the extension of the system to England, as calculated seriously to injure all who are engaged in trade in India. That this must be the result is obvious, and yet this consideration appears to have been overlooked in the preparation of this scheme.

3. The Committee desire also to express their surprise that no reference should have been made to them in this matter, seeing it is intimately connected with the interests they represent. They submit that, if it was thought advisable to obtain their opinion when the scheme was first mooted, in connection with India, in 1870, there was clearly a greater necessity for doing so at the present time.

4. It cannot be denied that the Post Office is working within its legitimate limits in endeavouring to facilitate the delivery and payment of small packages of merchandise sent from one part to another of the *same* country, but when it proposes to establish an agency for similar purposes between two countries opposed in so many respects as England and India, and which have not even a common currency, the Committee submit that the Department is entering on a service which does not lie within its province.

5. The Committee do not lose sight of the fact that one of the chief objects of so important a Public Department as the Post Office is to consult the convenience of the Public generally, and not of any particular section thereof. They cannot, however, admit that this principle has been observed in the present case, as the *English tradesman* and not the *Public* will chiefly benefit by the proposed scheme. The Public have not desired it, and they seem to be fully satisfied with the facilities presented by the overland parcel post and money order systems for getting out and paying for goods to small amounts. So far as the trades are concerned, they would willingly see the entire scheme abandoned rather than it should be adopted in its present objectionable form.

6. It must not be forgotten that the Indian tradesman is heavily taxed, and that the losses and expenses incident to business in India are exceptionally heavy, and it seems, there-

fore, contrary to sound policy and common justice that the Post Office should increase these disadvantages by offering facilities to tradesmen in England to which they have no reasonable claim. No taxes are paid by them to the Indian Government, nor have they capital invested in a large stock, such as the Indian tradesman is forced in the nature of things to maintain. They will further incur no risks, as the scheme under notice will, in its operation, secure them their money or the return of their goods. In, therefore, undertaking to realize and remit the price of goods sent out by them to India, the Post Office will assist a most unfair competition with the local trader, and will also place the importation of a large class of goods into this country by resident traders, at a serious disadvantage.

7. The Committee trust, therefore, that, for the reasons herein adduced, the system of "value-payable" parcels will not be extended to England.

I have, &c.,

E. HICKIE,

Secy. Calcutta Trades' Association.

Calcutta, 12th February 1878.

TO THE SECRETARY CALCUTTA TRADES' ASSOCIATION,
Calcutta.

SIR,—Your letter of the 8th December protesting against the extension of the system of "value-payable" parcels to overland parcels, booked in London for India, has been considered by me since my return from tour.

2. The proposal to apply the "value-payable" system to the parcel post (inland and overland) was made in the interests of the public as a whole, the object being to promote the general convenience. It was not anticipated that any particular interest would be injured, and I am still of opinion that no injury is likely to result from the system to those engaged in trade in the Presidency Towns.

3. But as the Calcutta Trades' Association have such a strong objection to the proposed measure on the ground of

anticipated injury to the interests of those engaged in trade, I shall lay the correspondence before the Government of India.

I have, &c.,

A. M. MONTEATH,
Director-General of the Post Office of India.

Calcutta Trades' Rooms, 23rd February 1878.

TO THE SECRETARY TO THE GOVERNMENT OF INDIA,
Financial Department.

SIR,—The Committee of the Calcutta Trades' Association having been informed by the Director-General of the Post Office that it is his intention to lay before the Government of India the correspondence relating to the system of value-payable parcels recently introduced into the Indian Post Office, and which it is proposed to extend to "overland parcels" booked in London for delivery in India, I have the honor to submit the following observations of the Committee on the subject.

2. It will be observed, from the accompanying copy of a letter which was addressed by the Association to the Director-General on the 8th December 1877, that the Committee have protested against the extension of the system to overland parcels booked in London for delivery in India. The grounds on which the Committee have based their protest are, that the extension of this system beyond the limits of British India is neither essential to the convenience of, nor called for by, the Public—that it does not lie within the province of the Post Office, and lastly, that serious injury would be caused thereby to the interests of those engaged in trade in India.

3. The Director-General, in his answer to the protest of the Association, intimates that the proposal has been made "in the interests of the Public," and with the object of "promoting the general convenience." The Committee submit that the plea of promoting the convenience of the Public cannot fairly be put forward in the present case as the Public have already ample facilities for procuring goods from England through the agency of the Overland Parcel Post, and of paying for them through the Money Order Office. The Committee believe that

these agencies fully meet the requirements of the general Public so far as Government is justified in providing for them.

4. The persons who would be mainly benefited by the proposed scheme would be the London tradesmen, who do not contribute to the Indian revenue, and possess by their residence in England immense advantages over their Indian competitors, but who would, if the value-payable parcels system comes into operation, be absolutely guaranteed by the Indian Government against risk. In addition to this, all expenses and losses by Exchange, which are now borne by the Indian tradesman before he receives his goods, and must be paid, sold or not sold, will be realized by Government from the purchaser.

5. The Committee would remark that the Trades' Association made no objection to the introduction of the Money Order and Overland Parcel Post systems, as it was felt that these measures were for the convenience of the Indian Public, notwithstanding that they might tell, as they have told, against the direct interests of the Indian trader. It is, however, a very different matter when the Government takes upon itself functions which lie completely outside its legitimate sphere, and the Committee contend that it cannot be any part of the duty of a Department of the Indian Government to collect Bills for traders either within or without the country.

6. When the proposed measure was first announced in 1870, it was believed that its application to local transactions would tend to relieve the almost compulsory system of credit which obtains in India, but a reconsideration of the question has led to a better appreciation of the broad principle involved, and the Committee would now prefer to see the proposed scheme abandoned in its entirety. If it be adopted, its application abroad cannot fail to have a depressing influence on trade here, with the probability that the revenue may suffer on the one hand, without either the general Public or the Government receiving an adequate advantage on the other.

7. The Committee would also remark that the British Post Office has, apparently, not advocated the scheme nor has any connection with it, and it appears, therefore, unjust to the Indian tax-payer that an important Public Department of

this country should be permitted to become the medium for promoting the interests of the London tradesmen only, and to establish in London a separate agency for the Indian Post Office, thereby increasing the home charges of India.

8. It is questionable also, whether the system, if extended to England, would, under the limit of value-payable, *viz.* £10, satisfy either the Indian consumer or the London supplier, for the Committee presume that the Government do not contemplate the development of the system, in reference to overland parcels, to its *fullest* extent.

9. It is also a significant fact, as showing the undesirability of the proposed scheme, that although private enterprise is ever ready to forward the interests of the Public, it has not ventured on an undertaking of this nature.

10. There will also necessarily arise in connection with this matter, questions of Exchange, Commission, Insurance, Freight, and Customs Duty, and when these are fully considered, the working of the scheme will be found to be surrounded with so many practical business difficulties as would hardly, the Committee conceive, induce any Government to be at all more ready than private enterprise to enter upon it.

11. The Committee would, therefore, respectfully solicit that a scheme so objectionable on all grounds, and so illusive in the advantages it seems to present to the general Public may not be confirmed by the Government of India.

I have, &c.,

E. HICKIE,

Secy. Calcutta Trades' Association.

Fort William, 21st March 1878.

TO THE SECRETARY CALCUTTA TRADES' ASSOCIATION,

Calcutta.

SIR,—Your letter dated the 23rd February, conveying the views of the Calcutta Trades' Association on the proposal to extend the value-payable system to overland parcels, has been considered by His Excellency the Viceroy and Governor-General in Council.

2. In reply, I am directed to state that the extension of the value-payable system was proposed as a boon to the public of India, because that system had worked well and had been highly appreciated in European countries, and because it had already been successful in India. Your association now submits its opinion that the proposed extension is not required by the public, that it is surrounded with many practical difficulties, and that the value-payable system, if successfully applied to overland parcels, will work much injury to the tradesmen of India and through them to the public.

3. His Excellency the Viceroy in Council considers that a representation from the Calcutta Trades' Association is entitled to much consideration from the Government; and the arguments contained in your letter have, accordingly, been carefully weighed both by the Director General of Post Offices and by the Government. At the same time His Excellency in Council is not satisfied that a boon of this kind, which is expected to benefit the general public, should be withheld in deference to the wishes of the Trades' Association. As yet no expression of opinion on the matter has reached the Government of India from any public body besides your Association. Before taking a final decision, the Governor-General in Council will cause other representative bodies to be consulted, whether in their opinion the extension of the value-payable system to overland parcels would or would not be a boon to the public, especially to European residents in the interior of the country.

I have, &c.,

C. BERNARD,

Addl. Secy. to the Govt. of India.

Copy forwarded to the Director-General of Post Offices with reference to his letter No. 8,598, dated 12th February 1878.

Chamber of Commerce, Madras, 11th April 1878.

TO THE SECRETARY CALCUTTA TRADES' ASSOCIATION,
Calcutta.

SIR,—I have had the honor of laying your letter of the 20th ultimo and its enclosures before the Chamber, and I am

now instructed to say that, while sympathising with your Association's anxiety to obtain from the Government a reconsideration of the Postal rules regarding value-payable parcels, the Chamber are unable to co-operate with the Association in the manner you suggest, as the subject is not one in which the Chamber have a direct interest.

At the same time the Chamber are free to state that they do not consider it the duty of, or desirable for, the Government to charge themselves with the collection of any but Government dues on any description of postal parcels. It is observed that your Association, on the other hand, in your letter of the 8th December to the Director General of the Post Offices express an opinion that the "Post Office is working within its legitimate limits in endeavouring to facilitate the delivery and payment of small parcels of merchandise sent from one part to another of the same country," and that you object to the employment of Postal agency for similar purposes between England and India on the ground that "the Department is entering on a service which does not lie within its province." It seems to the Chamber, however, that the Department has yet to prove that need exists for its undertaking such a duty in India.

The facilities for forwarding parcels having been afforded by the Government, the energies of the Department might be more profitably and appropriately employed in securing the prompt delivery of such parcels than in collecting private debts. The Chamber are therefore glad to see that in your letter to the Government of India under date the 23rd February you remark that your "Committee contend that it cannot be any part of the duty of a Department of the Indian Government to collect bills for traders either within or without the country." It is observed that the Government in their reply of the 21st ultimo state that the Governor-General in Council will cause other representative bodies to be consulted as to the advisability of withdrawing the value-payable system from overland parcels in deference to the wishes of your Association. Should this Chamber be invited to offer an opinion they will state that as there seems to them to be no necessity for the value-payable parcel system in India, the extension of the

system to overland parcels does not on general grounds commend itself to their approval.

I have, &c.

C. A. LAWSON,
Secretary.

Calcutta, 9th April 1878.

TO THE SECRETARY CHAMBER OF COMMERCE,
Madras.

SIR,—In forwarding to you the accompanying Memorandum and its enclosures, relative to the objection taken by the Calcutta Trades' Association to the extension of the 'value-payable' system to overland parcels, I have the honor to invite an expression of the opinion of the Madras Chamber, on the point mentioned by the Government of India, *viz.*, whether "the extension of the 'value-payable' system to overland parcels would, or would not, be a boon to the public, especially to European residents in the interior of the country."

I have, &c.,

A. M. MONTEATH,
Director General of the Post Office of India.

Memorandum by A. M. MONTEATH, Esq., Director General of the Post Office of India,—No. 388, dated 9th April 1878.

Annexed are copies of the papers* relative to the objection taken by the Calcutta Trades' Association to the extension of the system of "value-payable" parcels, so as to include parcels transmitted from England to India.

2. It will be observed from the paper last quoted, that the Government of India desires to learn from other representative bodies "whether in their opinion the extension of the 'value-payable' system to overland parcels would, or would not,

* From Secretary, Calcutta Trades Association, dated 8th December 1877.
To Secretary, Calcutta Trades Association, No. 8597, dated 12th February 1878.
To Secretary to the Government of India, Financial Department, No. 8598, dated 12th February 1878.
From Secretary to the Government of India, Financial Department, to the Secretary Calcutta Trades Association, No. 1961, dated 21st March 1878.

be a boon to the public, especially to European residents in the interior of the country." In pursuance of this desire, it is now proposed to consult the several Chambers of Commerce, the Trades' Associations of Madras and Bombay, the Agents of the principal Railways (on behalf of the large numbers of Europeans employed under them), the Planters' Association, Assam, and the Coffee Planters' Association.

3. The "value-payable" system provides for the transmission by the Post Office of a parcel (paid or unpaid) with the condition of realizing from the addressee on delivery the value of its contents as declared by the sender, and the payment to him (the sender) of the amount so realized, less a commission of about 2 per cent.: thus facilitating intercourse between customers and tradesmen by saving the addressee (or customer) from the trouble of a separate remittance and the sender (or tradesman) from the risk and trouble of collecting his money.

4. No question has been raised as to the probable convenience of the system as applied to the inland parcel post of India; and the point raised by the Calcutta Trades Association has reference solely to the extension of the system to parcels coming from England to India.

From E. HICKIE, Esq., Secretary, Calcutta Trades Association, to the Director General of the Post Office of India,—dated 8th December 1877.

(Vide page 110 *of this Report)*

From A. M. MONTEATH, Esq., Director General of the Post Office of India, to the Secretary, Calcutta Trades Association,—No. 8597, dated 12th February 1878.

(Vide page 112 *of this Report.)*

From A. M. MONTEATH, Esq., Director General of the Post Office of India, to the Secretary to the Government of India, Financial Department,—No. 8598, dated 12th February 1878.

I have the honor to forward, for the consideration and orders of the Government of India, copy of the correspon-

dence noted on the margin, containing a protest from the Calcutta Trades' Association against the extension of the system of "value-payable" parcels to overland parcels booked in London for India.

From Secretary, Calcutta Trades' Association, dated 8th December 1877.
To Secretary, Calcutta Trades' Association, No. 8597, dated 12th February 1878.

2. The Government will observe that, while intimating to the Association that I do not share their anticipation of injury to trade interests, I have said that the correspondence would be laid before the Government.

3. In the letter of the Calcutta Trades' Association, reference is made to a correspondence which took place in 1870, and I may explain, for the information of Government, that in that year I addressed the Trades' Associations of Calcutta, Madras, and Bombay describing the "value-payable" parcel system as existing in the Prussian Post Office, and asking for an expression of their opinion "as to whether they regard the measure as one calculated materially to benefit the public in India."

4. I give below extracts from the replies to the communication above mentioned:—

Calcutta Trades' Association,—27*th July* 1870.

"In the absence of details as to the working of this system, the Committee does not feel itself competent to pronounce a decided opinion, although on a *primâ facie* view of the question there appears to the Committee no reason why such a system should not succeed in India, where it would, if introduced, be a convenience both to the public and the Trade. To the trade the risk which now attends the complying with orders from persons in distant parts of the country of whom little or nothing is known would certainly be greatly diminished, while to the public an easy and expeditious way of paying for goods would be secured. And nowhere would the convenience of such a system be so much appreciated as in the many small stations throughout India where no means are available to the residents for the remittance of money to Calcutta."

Madras Trades' Association,—22*nd August* 1870.

"The Committee of this Association think that the introduction into the Indian Post Office of the Prussian system of postal carriage of parcels and the collection of the cost of them would be very advantageous to the public. The Committee would like to see such a system have a trial in India.

"The Post Office of the United States of America, I believe, performs a similar service, and it is found to work well.

"There can be no doubt that persons in some parts of the mofussil find it very inconvenient to remit small sums of money; and to such persons the system would be invaluable."

Bombay Trades' Association,—31st March 1871.

"We are strongly of opinion that if you see your way towards adopting the proposed arrangement, it will be of unquestionable benefit to the public. Many of us have large transactions with the mofussil, and our experience leads us to think that considerable numbers of our constituents there would adopt this plan of paying for their purchases in preference to that of sending money in advance.

"The system would doubtless be liable to abuse, sometimes by the sender, and sometimes by the addressee of a parcel; but as the Post Office would probably protect itself against loss from such abuse, caution would soon be exercised by both parties in making use of the arrangement.

"We beg to express our cordial approval of the proposed system, *if worked wisely*. We understand that it has long been in successful operation in several European countries, and believe that it will result in a large internal development of trade in British India."

5. While in Europe in 1873-74, I found that the system of "value-payable" parcels was not confined to the internal post of Prussia, but had been extended to other European countries, and made to embrace international as well as internal operations. I found also that it was believed to be much valued by the public of the countries to which it had been extended.

6. When I made the reference to the Trades Associations in 1870, the parcel post was confined to Indian limits, and the opinions then given had reference solely to the parcel post as then existing. The parcel post has since been extended to Great Britain; and the question now at issue is, whether the "value-payable" system, regarded for inland purposes as an "unquestionable benefit to the public" (Bombay Association), as a thing "very advantageous to the public" (Madras Association), and as a thing likely to be "a convenience both to the public and the trade" (Calcutta Association), should not be regarded in a similar light as respects the overland service.

7. So far as concerns the convenience of the *Indian public generally*, I believe that the "value-payable" system is beneficially applicable to overland parcels in quite the same degree as to inland parcels. As concerns the interests of that portion of the public *who are engaged in trade in India*, I do not feel able to regard the views held by the Calcutta Trades Association as belonging, in any considerable sense, to Indian tradesmen outside the limits of the presidency towns. And even as respects those *engaged in trade in the Presidency towns*, I cannot but think that the effect of the measure has been wrongly estimated.

8. I would invite the attention of the Government to the fact that in the overland service it is proposed to limit the amount payable on any single parcel to £10, thus placing an important restriction upon its operation as compared with the inland system. I would also mention that the average weight of an overland parcel from Great Britain to India is only 6 lbs, thus showing the very small character of the transactions for which the overland parcel post is used. The rate of charge, too (6*d.* per lb. for books and 1*s.* per lb. for other articles), is high when compared with the cost of transmission of goods as freight from London to Calcutta, Madras, or Bombay. And having regard to these considerations, I do not see reason to anticipate a disturbance of trade operations in the presidency towns from the application of the "value-payable" system to the overland parcel post. Such an anticipation is, to my mind, premature.

9. I cannot concur in the view expressed in the 4th paragraph of the Association's letter, to the effect that a parcel service which is admitted to be within the legitimate limits of postal organisation, so long as it is confined to one country, ceases to be so when it links two countries together. This is not the view held in those countries where the system is worked in Europe; and it seems to me obvious that if the value-payable system between England and India is to be condemned on this ground, the whole overland parcel post ought to be condemned with it.

From C. BERNARD, Esq., Additional Secretary to the Government of India, Financial Department, to the Secretary, Calcutta Trades Association,—No. 1961, dated 21st March 1878.

(*Vide page* 115 *of this Report.*)

Chamber of Commerce, Madras, 6th May 1878.

TO THE DIRECTOR GENERAL OF THE POST OFFICES OF INDIA,
Calcutta.

SIR,—I have the honor to acknowledge receipt, on the 24th ultimo, of your circular letter dated the 9th idem, in which you invite an expression of the opinion of this Chamber on the point, whether "the extension of the 'value-payable' system to over-

land parcels would, or would not, be a boon to the public,—especially to European residents in the interior of the country."

While appreciating at its full value the readiness of your Department to promote the convenience of the public, this Chamber regret their inability to approve of the proposed interference, in however small a degree, with the legitimate operations of trade in India. There are so many important points towards which the attention of postal authorities should be directed, that the Chamber deem it matter for some surprise, that your department is anxious to go out of its way to perform functions that do not come within the ordinary range of postal duties. It seems to the Chamber that the Government cannot offer such exceptional facilities to foreign traders without seriously injuring the interest of traders settled in India. In former days when there were but few depôts of foreign miscellaneous goods in India, a plausible excuse might have been made for the entertainment of the proposal to tax the resources and energies of the Postal Department in order that a small section of the public might be placed within easier reach of foreign articles of daily use; but no such excuse can now be urged in favor of such a system. The tradesman in India who contributes to the public revenue, and brings capital and skill into the country, has a more direct and constant claim on the consideration of the Government of India than the tradesman in England who is ambitious of making profit out of India without incurring the discomforts and risks incidental to residence in the tropics. If your Department should succeed in carrying out its intention of "saving the tradesman in England from the risk and trouble of collecting his money in India," it may not be long before the home tradesmen will, with the powerful assistance of the Government, beat their local rivals out of the Indian market. And if it can be shewn that it is permissible for the Government to befriend the home tradesman even at the risk of ruining the tradesman on the spot, it may be equally well shewn that the Government may similarly lend their aid to merchants in England who are ambitious of trading with India, but are not sufficiently enterprising to establish themselves in this country. But the Chamber cannot suppose that any such interference with the operations of wholesale trade will be readily permitted. The

principle however is unaffected by the magnitude of the interests concerned, and the Chamber consider that whether in connection with retail or wholesale operations, the Government are not well advised in charging themselves with duties that affect the neutral attitude which they should occupy towards trade.

It is observed that in your letter to the Government of the 12th February, you base your proposal for the extension of the "value-payable" parcel system between England and India partly on the ground that an international arrangement exists in Europe of this nature, which you believe has been "much valued by the public of the countries to which it had been extended." But while between two European countries, as England and France, the system could not but be found mutually advantageous, it is undeniable that it is far more for England's than for India's benefit that the extension you propose should be carried out. In all probability, as the prices of commodities are pretty nearly equalised among European States, and the cost of maintaining establishments and similar expenses falling upon tradesmen is about equal, very little, if any, disadvantage can be traced to the maintenance of a system which the Chamber cannot but think unnecessary even in Europe; but prices of commodities cannot be equalised in England and India without depriving the dealer in this country of the means to meet that heavy additional expenditure which he cannot escape in this country, and for which he recoups himself by the charges on his goods. Not only would the public revenue suffer by his retirement from the field, but the very section of the public for whom the "boon" referred to is especially designed, would probably in the end be caused an amount of inconvenience for which such boon would be no compensation.

I have, &c.,

A. MACKENZIE, *Chairman.*

Government of India, Financial Dept. Simla, the 8th Oct. 1878.

Read the following papers relative to the extension of the "value-payable" system to overland parcels booked in London :—

Letter from the Director General of the Post Office, No. 8598, dated the 12th February 1878, forwarding, with remarks, copy of a protest from the Calcutta Trades' Association, dated the 8th December 1877; and of his reply, dated the 12th February 1878, No. 8597.

Letter from the Calcutta Trades' Association, dated the 23rd February 1878, making further remarks on the subject of their protest with reference to the reply thereto received from the Director General of the Post Office.

Letter to the Calcutta Trades' Association, No. 1961, dated the 21st March 1878, stating that, before coming to a final decision, His Excellency the Governor General will cause other representative bodies to be consulted.

Letter from the Director General of the Post Office, No. 3512, dated 9th July, reporting the result of inquiries made in pursuance of the determination mentioned above.

RESOLUTION.—Under the "value-payable" system, the Post Office recovers the declared value of a parcel from the addressee, for the sender, charging for this service a commission of about two per cent. This system has recently been introduced into the inland parcel service of India, without objection being raised: but the Calcutta Trades' Association objects to the extension of the system to parcels booked in London for transmission to India.

2. The main grounds of objection are :—

(1) that the measure is not required in the interests of the public;

(2) that it is not the proper duty of the Post Office to perform such a service; and

(3) that the facilities thus afforded to foreign traders would cause serious injury to traders resident in India.

3. With special reference to the first of these grounds, enquiry was made from other representative bodies—

"whether, in their opinion, the extension of the 'value-payable' system to overland parcels, would, or would not, be a boon to the public, especially to European residents in the interior of the country."

4. The results of this enquiry are now before the Government. The representative bodies and authorities mentioned*

* Chamber of Commerce, Bengal.
" " Bombay.
Nilgiri Planters' Association.
Travancore "
Agent, East Indian Railway Company.
" Great Indian Peninsula Railway Company.
" Bombay, Baroda and Central India Railway Company.
" Eastern Bengal Railway Company.
" Sind, Punjab and Delhi Railway Company.
" South Indian Railway Company.
" Oudh and Rohilkhund Railway Company.
" Madras Railway Company.
Chamber of Commerce, Madras.
Trades' Association, "
" " Bombay.

have, with the exception of the three last in the list, supported the measure has calculated to confer a real benefit upon the public. And, as regards the British Army in India, the reports from the Commanding Officers specified,* contain unanimous opinions that the measure would be a great boon to the Army.

5. The Governor General in Council cannot, therefore, doubt that the proposed measure would be appreciated as a public convenience.

6. As regards the next argument, *viz.*, that it is not the duty of the Post Office to provide such a convenience, the Governor General in Council observes that this is not the view taken by some of the most enlightened postal administrations in Europe, and, notably, by that of Germany, which has taken a prominent part in the recent improvement of international postal relations. The German Post Office has not only a large inland service† of this kind, but also considerable exchanges,‡ under the "value-payable" system, with the principal countries§ of Europe. Even when the Post Office of the foreign Country has no parcel post (as in the case of Great Britain and some other of the countries mentioned), the German Post Office has arranged with private carrying Agencies for the exchange of parcels up the "value-payable" system.

7. The Austrian service of "value-payable" articles, though smaller in numbers than the German service, is greater in aggregate value, as will be seen from the figures.||

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* From Officer Commanding 6th Dragoon Guards,
From Officer Commanding 1-12th Foot,
From Officer Commanding 51st Foot,
From Officer Commanding 15th Hussars.
From Officer Commanding 2-60th Foot.
} With a covering letter from Sir J. Brind, expressing concurrence.

† About 5¼ millions of articles with "value-payable," amounting to £2,567,000, were carried by the German inland post in 1874.

‡ About ½ million of articles with "value-payable," amounting to £280,000, were exchanged by Germany with foreign countries in 1874.

§ The foreign countries with which Germany now has exchanges of "value-payable" articles, as given in a Postal Guide of 1878, are as follows :—

Belgium.	Italy.	Norway.
Denmark.	Luxemburgh.	Sweden.
Great Britain.	Netherlands.	Switzerland.
Heligoland.		

|| About 3 millions of articles with "value-payable," amounting to £3,400,000, were carried by the Austrian post in 1874.

8. No statistics of the operations of the Swiss Post Office in this respect are at hand ; but that country has not only an inland "value-payable" service, but also similar services with Germany, Austria, and France.

9. The delivery of parcels, excepting books and samples, has never been admitted into the British postal system, not, as is believed, from any objection on principle, but only on account of the large development of private Agencies for this purpose. It has, hence, been necessary for the Indian Post Office to make arrangements with a private Agency for this branch of its business in Great Britain. The reasons which deter the British Post Office from following the example of Foreign Post Offices in this respect, do not apply to India ; and no opposition has been offered to the intervention of the Indian Post Office by the carrying Agencies, one of the largest of which, is, in fact, the London correspondent of the Indian Post Office.

10. The Governor General in Council cannot admit that the extension of the "value-payable" system beyond Indian limits would involve a transgression of the legitimate functions of the Post Office.

11. As to the last argument, on which the greatest stress is laid, the Governor General in Council observes that the Trades' Associations at the three Presidency towns, have united in strongly deprecating the measure, on the ground of anticipated interference with their trade ; and that the Madras Chamber of Commerce supports them. It is not merely injury, but "serious injury," that is anticipated by these bodies to the interests of traders settled in India. The Madras Chamber of Commerce goes so far as to look forward to the London tradesmen, under the operation of the proposed measure, beating "their local rivals out of the Indian market."

12. The Director General of the Post Office recorded his opinion upon the original protest, that Indian tradesmen outside the limits of the Presidency towns did not probably share the views of the Calcutta Trades' Association ; and that the estimate made by this body of the effect of the measure, was exaggerated. In support of this opinion, Mr. Monteath pointed to the petty character of the overland parcel traffic, as evidenced

by the small average weight (6 lbs.) of the parcels, and to the proposed limitation of the value realisable to £10.

13. The Governor General in Council is inclined to agree with the Director General, and to think that the anticipations of serious injury to Indian tradesmen, are founded on an exaggerated estimate of the practical operation of the measure.

14. The Governor General in Council hopes that further consideration and discussion may result in a change of the views of those who now oppose the measure: and notes especially that the Bombay Trades' Association, while fully sharing the objections made by the Calcutta Association to the measure as it now stands, would be inclined to look with favor on the proposal "if reciprocity in the offered facilities could be secured." The views of the Bombay Trades' Association are expressed in the following terms, *viz.*:—

"Under these circumstances, it appears to the Committee that any new arrangement of the kind proposed, should offer an exchange of advantages to the trade of each country; that, if new facilities for trading with India are offered to English traders, similar facilities for trading with England should be secured for the traders of this country, European and Native alike. If reciprocity of this kind were secured in the proposed extension of the 'value-payable' system, the Committee and the Association would be inclined to look with favor on the proposal, inasmuch as the injury which it would inflict on them as importers would be counterbalanced by the facilities they would acquire for pushing industrial products of this country in England. In the proposed extension, however, the Committee do not find that any idea of this kind has been entertained. The system is to operate with parcels booked in London, but not with goods sent from this country."

15. There would be no difficulty in meeting the wishes of the Bombay Association by arranging for full reciprocity in the facilities offered: and, in that case, that Association would not, as the Governor General in Council understands, any longer oppose the proposal. It is possible, that the opinions of the other bodies who object to the measure in its present form, might then also be modified. His Excellency in Council, therefore, thinks it well, before pressing the introduction of the revised arrangements, to allow time for a fuller consideration of the matter by those whose interests are supposed to be affected adversely.

Ordered, that the foregoing Resolution be published in the *Gazette of India*, and communicated to the Director General of

the Post Office of India, and the several Local Governments and Administrations; also that copies be sent to the several Trades' Associations and Chambers of Commerce, who have taken part in the discussion, and their remarks invited especially upon paragraphs 14 and 15.

E J. SINKINSON,
Under Secy. to the Govt. of India.

Chamber of Commerce, Madras, 18th November 1878.

TO THE UNDER SECRETARY GOVERNMENT OF INDIA,
Financial Department.

SIR,—The Chamber have had under consideration the Resolution of the Government of India No. 3164, Financial Department) dated the 8th ultimo, relative to the extension of the value-payable system to overland parcels booked in London for India, and they desire me to state that they see no reason to modify the views which they communicated to the Director General of Post Offices in their letter of the 6th May last.

I have, &c.,
A. MACKENZIE,
Chairman.

M.

LAY DAYS AND HOLIDAYS.

Madras, 2nd January 1878.

TO THE SECRETARY CHAMBER OF COMMERCE,
Madras.

DEAR SIR,—We shall be obliged by your kindly obtaining the opinion of the Chamber in the enclosed case. Both parties having agreed to be bound by the decision.

Herewith the usual fee Rs. 15.

We have, &c.,
ASPINWALL & Co.

Wanted opinion of the Madras Chamber of Commerce.

In the charter party of the Barque *Elliott*, Capt W. A. Mackay, now loading at Cochin for London, there is the following clause:—"Forty weather working days are to be

allowed the said charterers (if the ship be not sooner despatched) for loading, &c."

A notice was circulated by the Superintendent of Sea-Customs here to say, that the Custom House will be closed for the Christmas holidays from 22nd December to Wednesday 2nd January, both days inclusive, but that the same will be opened for the transaction of emergent business on payment of extra fees.

Now, Capt. Mackay writes a letter to charterers' agents to say that he is prepared and intends to pay the Custom House fees during the Christmas week, so that charterers may go on with the loading of his vessel, and Capt. Mackay maintains that according to his interpretation of the above clause in his charter-party, 40 weather-working days are to be allowed for loading without exceptions of holidays, that his lay days include every fine weather day with the exception of Sundays, Christmas day and New Year's day, as exempted by statute.

Charterers' Agents on the other hand interpret the lay day clause quite differently and say that weather working days exclude all Sundays and legal Holidays and in addition all days on which work cannot be carried on owing to bad weather, and maintain that the days sanctioned by Government for closing the Custom House and Master Attendant's Office for Christmas vacation are legal holidays, and therefore cannot count.

Chamber of Commerce, Madras, 25th January 1878.

To Messrs. Aspinwall & Co.,
Madras.

Gentlemen,—I am directed to acknowledge receipt of your letter of the 2nd instant, requesting the opinion of the Chamber on a point regarding the claim of the Captain of the *Elliott* that his lay days at Calicut include every fine weather day with the exception of "Sundays, Christmas Day and New Year's Day" as exempted by statute, but not including any other Christmas holidays at that port.

It is observed that the Charterers' agents maintain that the days sanctioned by Government for closing the Custom House

and Master Attendant's Office for the Christmas vacation are legal holidays and therefore cannot count as working days.

The Chamber note that both parties have agreed to be bound by the decision of the Chamber.

I am now to inform you that the Members of the Chamber have given the question very careful consideration, but are divided in opinion. On a ballot being taken, however, the majority of votes has been found to be in favor of excluding from the vessel's working days, all days during which the Calicut Custom House kept holiday.

I have, &c.,

C. A. LAWSON,

Secretary.

N.

EXTENSION OF ACT V. OF 1866 TO PLACES AT WHICH THE MADRAS BANK HAS BRANCHES.

Proceedings of the Madras Government, Financial Department, 2nd March 1878.

From T. E. FRANCK, Esq., Secretary and Treasurer, Bank of Madras, to the Chief Secretary to Government, dated Madras, 14th February 1878.

I have the honor, by desire of the Directors of this Bank, to inform you that they have had under consideration the difficulties and delay attendant upon recovering money due upon Bills of Exchange and Promissory Notes in the Mofussil Courts of this Presidency, and they are of opinion that it would be of considerable benefit to the Bank, and to the mercantile community generally, to extend to such Courts the provisions of Act V of 1866 "to provide summary procedure on Bills of Exchange, and to amend in certain respects the Commercial Law of British India"

2. I am therefore instructed by the Directors to request that you will be good enough to submit to His Grace the Governor in Council their respectful application that he will be pleased,

in accordance with the power vested in the local Government in Section 8 of the Act referred to, to extend the provisions of Sections 2 to 7, both inclusive, of the Act to all Courts at places where this Bank has branches, as follows :—

Berhampore	...	Ganjam District.
Bimlipatam	...	Vizagapatam District.
Coconada...	...	Godavery ,,
Negapatam	...	Tanjore ,,
Tuticorin...	...	Tinnevelly ,,
Cochin, Calicut, Tellicherry	...	Malabar ,,
Mangalore	...	South Canara ,,
Bellary ...	...	Bellary ,,
Ootacamund	...	Nilgiris ,,
Guntoor ...	...	Kistna District.

ORDER THEREON, 2nd March 1878, No. 405.

The High Court will be requested to furnish Government with their opinion on this opplication, copy of which will be forwarded at the same time to the Chamber of Commerce, for any remarks they may wish to offer.

D. F. CARMICHAEL,
Chief Secretary.

Proceedings of the Madras Government, Financial Department, 15th April 1878.

From T. WEIR, Esq., Acting Registrar of the High Court of Judicature at Madras, Appellate Side, to the Chief Secretary to Government, dated Madras, 30th March 1878, No. 701.

I am directed to reply to your letter, dated 2nd March 1878, forwarding copy of the Order of Government of the same date, No. 405. In this Order the High Court are requested to furnish Government with their opinion on an application from the Directors of the Bank of Madras to extend the provisions of Act V of 1866 (an Act to provide a summary procedure on Bills of Exchange and to amend in certain respects the commercial law of British India) to the Courts in the mofussil.

2. In reply, I am to point out that the Act referred to has been in great part repealed. Sections 9 and 10 have been repealed by the Indian Contract Act IX of 1872.

3. Section 1, Clauses 3 and 4, Sections 2, 3, 4, 5, 6, 7, 8 and 14 have been repealed by the Code of Civil Procedure (Act X of 1877). The remaining portions of the Act which are unrepealed form a part of the general commercial law of British India, and do not require the action of the local Government to extend them to the Courts in the Provinces.

4. The existing provisions of the law on the subject of summary procedure on negotiable instruments are to be found in Chapter XXXIX of the Code of Civil Procedure (Act X of 1877). Section 538, Clause (*e*), of the Code of Civil Procedure enacts that the provisions of Chapter XXXIX shall apply to any Courts other than certain specified Courts having original civil jurisdiction to which the local Government may by notification in the Official Gazette apply them.

5. On the 12th September 1877, the High Court addressed to Government a letter enquiring whether the Government had framed any rules or contemplated issuing any notifications under certain sections of the Code of Civil Procedure. Among these sections, Section 538 of the Code of Civil Procedure was enumerated.

6. In their Order on the letter, dated 17th October 1877, No. 2473, the Government announced that the summary procedure on negotiable instruments would be applied at present to District Courts and Subordinate Courts only, and a notification, giving effect to this resolution, was duly published in the *Fort St. George Gazette.*

7. As regards the present application of the Bank of Madras, I am to point out that, with two exceptions, viz., Berhampore and Guntoor, there is a Court of the class invested with powers under Chapter XXXIX of the Code of Civil Procedure, at each of the stations named in the Bank's letter.

8. The actual state of matters being as described, the High Court do not feel called upon, pending further communication from Government, to enter upon the larger question of the expediency of investing District Munsif's Courts with the powers described in Chapter XXXIX of the Code of Civil Procedure.

Chamber of Commerce, Madras, 4th April 1878.

To the Chief Secretary to Government,

Fort St. George.

Sir,—With reference to the Proceedings of Government, 2nd ultimo, I have the honor to inform you that the Chamber approve of the request that has been made to the Government by the Bank of Madras for an extension of the provisions of Act V of 1866 to all Courts at places where that Bank has branches, and would gladly see them extended to all Chief or District Courts in the Presidency. The probability that such extension might be found advisable was foreseen by the Government of India, and provided for by Section 8 of the Act referred to, and the Chamber are satisfied that such a change of procedure is wanted in the mofussil. By the Act under reference, the defendant, in order to obtain leave to appear and defend his suit, must show the Court by affidavit facts that make it incumbent on the holder of such note or acceptance to prove consideration. It is by no means unusual in the practice of mofussil Courts to call upon the plaintiff on a dishonored promissory note or similar instrument to prove consideration, although, as is often the case, the note has been given by defendant after a settlement of accounts between himself and plaintiff and in acknowledgment of the balance due; and in order to furnish such proof it is obligatory on the firm to produce all their books and accounts in Court often at great inconvenience. *Prima facie* the promissory note or similar instrument is an acknowledgment of debt for value received and a promise to pay, and no obligation to prove debt should rest on the holder except in cases where the debtor can show special circumstances altering the *prima facie* evidence of debt. Under Act V of 1866, the defendant cannot subject the plaintiff to the inconvenience of secondary proof until he has satisfied the Court that the production of such proof to authenticate the claim is desirable in the interests of justice. As such discretionary power as can under the Act be reposed in the mofussil Courts is not likely to be abused, the Chamber would be glad to see the Bank's proposition acted upon by the Government.

I have, &c,

A. Mackenzie, *Chairman.*

ORDER THEREON, 15th April 1878, No. 693.

The letter from the Acting Registrar, High Court, will be furnished to the Secretary of the Madras Bank and to the Chamber of Commerce.

2. The Government are not prepared to extend Chapter XXXIX of the Code of Civil Procedure to the Courts of District Munsifs; and, as pointed out by the High Court, the desired summary procedure is already possessed by a superior judicatory at every place named by the Bank, except Guntoor and Bimlipatam,—for which last place the High Court has inadvertently written Berhampore.

D. F. CARMICHAEL,
Chief Secretary.

O.

PROBATE JURISDICTION OF COURTS.

Chamber of Commerce, Madras, 2nd April 1878.

TO THE CHIEF SECRETARY TO GOVERNMENT,
Fort St. George.

SIR,—On the 12th November 1872, and again on the 14th January 1873, this Chamber addressed the Madras Government on the subject of the limitation of the Probate Jurisdiction of the various Courts of this Empire. On the 15th March 1875 the Government of India passed the "Probate and Letters of Administration Bill" No. 16 of 1874. This Act provides that Probate and Letters of Administration may be granted by a High Court of any Presidency on special application with effect throughout British India, but not to be operative in Mysore, Coorg or territories of independent Native Princes.

2. Under the Administrator-General's Act No. II of 1874 special provision is made for issue to an Administrator-General of Letters of Administration operative in the Provinces of Mysore and Coorg.

3. The effect is therefore that where a person dies leaving property in Mysore and Coorg as well as in British India his private Executor or Administrator must take out separate

Probate or Letters of Administration in Mysore and Coorg in addition to the Probate or Letters of Administration issued by the Presidency High Court for operation in British India, and the estate must endure additional expense in consequence. Whereas in the cases where such estate is left to an Administrator-General the one grant of Probate or Letters of Administration by a Presidency High Court can be made effective for the whole of the property.

4. It seems to the Chamber but reasonable to ask that a similar privilege to that granted to the Administrator-General by the High Court should be granted to a private Executor or Administrator, and the Chamber trust that the Government of India will not object to such amendment of the existing law as will remove the present disparity in the privileges of the public and private administrators.

I have, &c.,

A. MACKENZIE,

Chairman.

Referred to the Advocate-General for his remarks, with reference to the papers recorded in G. O., 26th November 1872, No. 1528, and G. O., 23rd January 1873, No. 118.

D. F. CARMICHAEL,

Chief Secretary.

Fort St. George, *4th April* 1878.

From E. BARCLAY, Esq., Government Solicitor, to the Chief Secretary to Government, dated Madras, 9th April 1878, No. 153, forwarding the following Opinion of the Acting Advocate-General :—

OPINION.

The question raised in the letter of the Chairman of the Chamber of Commerce to the Chief Secretary to Government, dated the 2nd April 1878, is a fit one for the consideration of the Government of India in the Legislative Department. I do not think the Legislative Council of Fort St. George has power to legislate in the direction indicated in the above letter, and I recommend that the papers relating to the subject should be sent to the Government of India.

P. O'SULLIVAN,

MADRAS, *8th April* 1878. *Ag. Advocate-General.*

ORDER THEREON, 30th April 1878, No. 903.

The Chamber of Commerce, Madras, beg a further amendment of the law relating to the grant of Probates and Letters of Administration, so that a grant made by the High Court of Madras may, agreeably to the principle of the Administrator-General's Act II of 1874, be effectual in Mysore and Coorg as well as throughout British India; and the Advocate-General is of opinion that this request is a fit one for the consideration of the Government of India in the Legislative Department.

2. Section 242 of the Indian Succession Act (X of 1865) enacted that Probates and Letters of Administration were to have effect over all property of the deceased throughout the province in which the same was granted; but the amending Act XIII of 1875, which is incorrectly referred to by the Chamber, extended the operative force of such Probates and Letters, when granted by a High Court, throughout the whole of British India. Under this extension, Probates and Letters granted by the High Court of Madras have effect in Coorg which is part of British India, but would apparently be inoperative in Mysore which, as being a Native State, is not part of British India. In so far, the Chamber's suggestion seems matter for legislative consideration.

3. Act II of 1874, the Administrator-General's Act, extends to all British India and, "so far as regards British subjects of her Majesty, to the dominions of Princes and States in India in alliance with Her Majesty;" and Section 3 proceeds to enact that Madras includes Coorg and Mysore, so far as the Administrator-General is concerned.

4. It is within the competence of the Governor-General in Council, at meetings for the purpose of making laws and regulations, to legislate for the benefit of Her Majesty's subjects whether within or without the Indian territories subject to Her Majesty. 28 Vic., Ch. 17, enables the Governor-General in Council to make laws for "all *British* subjects within the dominions of Princes and States in India in alliance with Her Majesty;" and 32 and 33 Vic., Ch. 98, enables the Governor-General in Council to make laws for "all persons being *Native Indian* subjects of Her Majesty without and beyond as well as

within the Indian territories under the dominion of Her Majesty." It is matter for consideration whether, under these powers and the circumstances represented by the Chamber of Commerce, the Government of India may not deem it fit to pass a short Act to declare that Probates and Letters of Administration granted by a High Court shall have effect over all the property and estate of the deceased throughout British India, and, so far as affects the property and estates of British and Native Indian subjects of Her Majesty, shall be deemed to be effectual without and beyond the Indian territories under the dominion of Her Majesty.

5. His Grace the Governor in Council resolves accordingly to forward the papers for the consideration of the Government of India.

D. F. CARMICHAEL,
Chief Secretary.

Proceedings of the Madras Government, Judicial Department, 17th July 1878.

From C. E. BUCKLAND, Esq., Officiating Under Secretary to the Government of India in the Home Department (Judicial), to the Chief Secretary to Government, dated Simla, 20th June 1878, No. 771.

I am directed to acknowledge your letter, No. 904, dated the 30th April last, submitting certain Proceedings of the Madras Government on the subject of further amending the law relating to the grant of Probates and Letters of Administration. It is suggested that a grant made by the High Court of Madras may, agreeably to the principle of the Administrator-General's Act II of 1874, be effectual in Mysore so far as it affects the property and estate of British and Native Indian subjects of Her Majesty.

2. In reply, I am to say that before considering the proposal, the Government of India would be glad to know whether any specific cases of hardship can be adduced which have actually occurred under the existing law.

ORDER THEREON, 17th July 1878, No. 1428.

Ordered to be communicated to the Chamber of Commerce, Madras, and to the Advocate-General, with reference to the papers recorded in G. O., 30th April 1878, No. 903, and with the request that any available information on the point raised may be furnished.

D. F. CARMICHAEL,
Chief Secretary.

Chamber of Commerce, Madras, 4th July 1878.

TO THE CHIEF SECRETARY TO GOVERNMENT,
Fort St. George.

SIR,—I have the honor to express the thanks of the Chamber to His Grace the Governor in Council for having in Proceedings, Judicial Department, 30th April, No. 903, recommended for the favorable consideration of the Government of India the Chamber's letter of the 2nd idem on the subject of probate jurisdiction in British and Native India.

2. It is observed that in the Order under reference it is stated that, under the amending Act XIII of 1875 "probates and letters granted by the High Court of Madras have effect in Coorg which is part of British India, but would apparently be inoperative in Mysore, which, as being a Native State, is not part of British India." The Chamber's experience goes to prove that the powers given to the High Court by the Act above cited are not so comprehensive as the Government appear to consider, or at all events that in practice those powers are considerably narrowed, for the practice undoubtedly is to refuse a grant of probate with effect over property in Coorg when the bulk of the property is situated in that province and only a small portion in Madras.

3. On a recent occasion a Madras firm were appointed executors to an estate, the bulk of the assets of which was in Coorg, and, upon instructing their solicitors to take out probate from the High Court of Madras, the solicitors replied that, as the bulk of the assets was in Coorg, it would be necessary for a member of the firm to proceed to Bangalore and there

take out probate from the Court of the Judicial Commissioner of Mysore and Coorg, or appoint some one at Bangalore to administer the estate for them. In support of this view the solicitors mentioned that last January an application was made to the High Court at Madras for a grant of letters of administration to extend to Calcutta, with the will annexed, of the estate and effects of the late Major-General J. M. Madden to Mr. G. Madden residing in Madras as the duly-constituted attorney of Mrs. C. M. Madden, the sole executrix (with probate obtained in England) of the said will, but Mr. Justice Kindersley declined to grant such letters on the ground that, as only a small asset of about Rupees 300 was in Madras, while the bulk of the assets of the estate was in Calcutta, such letters should be taken out in Calcutta to extend to Madras.

4. It would thus appear that although Coorg is an integral part of British India, and is only for administrative convenience governed from, and in conjunction with, Mysore, property there may require to be dealt with under authority from the Probate Court of a Native State (Mysore). This appears to the Chamber somewhat inconsistent, and they trust the subject may receive further attention.

I have, &c.,

A. MACKENZIE,

Chairman.

Referred to the Advocate-General for his remarks.

D. F. CARMICHAEL,

17*th July* 1878. *Chief Secretary.*

From E. BARCLAY, Esq., Government Solicitor, to the Chief Secretary to Government, dated Madras, 19th July 1878, No. 285, forwarding the following opinion of the Advocate General :—

OPINION.

With reference to Order of Government, dated the 17th July 1878, Judicial Department, referring to me the letter of the Chamber of Commerce, Madras, to the Chief Secretary to Government, dated the 4th July 1878, I think the Order of the Government bearing date the 30th April 1878, No. 903, upon the subject of probates and letters of adminis-

tration deals with the question in the right way. The cases mentioned in the letter of the Chamber of Commerce are cases in which the bulk of the property is within the jurisdiction of one High Court and application is made for letters of administration to another High Court. In such case it may well be thought that the application ought to be made to the High Court having jurisdiction over the bulk of the property.

P. O'SULLIVAN,
Advocate-General.

MADRAS, 19*th July* 1878.

ORDER THEREON, 31st July 1878, No. 1,538.

Ordered that the Advocate-General's opinion be communicated to the Chamber of Commerce in reply to their Chairman's letter, dated 4th July 1878, and G. O., 30th April 1878, No. 903.

D. F. CARMICHAEL,
Chief Secretary.

Chamber of Commerce, Madras, 3rd September 1878.

TO THE ACTING CHIEF SECRETARY TO GOVERNMENT,
Fort St. George.

SIR,—I have the honor to acknowledge receipt of—

1. Proceedings of the Madras Government, 17th July, communicating a letter from the Government of India on the subject of further amending the law relating to the grant of probates and letters of administration and inquiring whether any specific cases of hardship can be adduced which have occurred under the existing law.

2. Proceedings of the Madras Government, 31st July, communicating the Advocate-General's opinion (with reference to the Chamber's letter of the 4th idem) that in a case where the bulk of the property is within the jurisdiction of one High Court, application for letters of administration should be made to that Court.

In reply to the former Proceedings, I am desired to refer to two specific cases of hardship:—

1. Captain Fair died leaving property in Madras and Bangalore. By his will a Madras firm were appointed his executors. These executors had thereupon to take out probate both in Madras and Bangalore.

2. Mrs. Smith, a widow, lately died leaving property in Bangalore and Madras, and in this case also probate has had to be taken out by the executors, a firm in Madras, both in Bangalore and Madras.

In both these cases the Administrator-General of Madras could, had the deceased persons been intestate, have dealt with the property in the Madras Presidency and in the Mysore Province under letters of administration taken out from the Madras High Court under Section 3 of Act II of 1874. But

private administrators are compelled to undergo the inconvenience and incur, on behalf of the estate, the expense of taking out two sets of letters of administration. The Chamber admit the desirability of allowing the Administrator-General to take out probate at Madras alone in connection with property in Madras and Mysore, and they submit that a similar privilege should in fairness be allowed to non-official adiministrators.

I have, &c.

A. MACKENZIE,
Chairman.

ORDER THEREON, 20th September 1878, No. 1,926.

Ordered that copy of the Chamber's letter be forwarded to the Government of India with reference to paragraph 2 of their letter in the Home Department, dated 20th June 1878, No. 771.

G.O., 17th July 1878, No. 1428.

C. G. MASTER,
Acting Chief Secretary.

P.

DETENTION OF OVERLAND MAILS.

Chamber of Commerce, Madras, 13th June 1878.

TO THE DIRECTOR GENERAL OF THE POST OFFICES OF INDIA,
Simla.

SIR,—On the 25th October 1872, you were so good as to forward for the information of this Chamber copy of a letter to your address from the Government of India, dated the 18th idem, stating that the Governor General in Council had been pleased to sanction the use of special trains as far as Kurjut only, for the transmission of English Mails to Madras *via* Bombay when they do not arrive in Bombay in sufficient time to admit of their being sent by the ordinary mail trains.

Although no notice has been received of the withdrawal of this privilege which was conceded by the Government after the Chamber had proved in their correspondence with you that it

might fairly be demanded for Southern India, the Chamber have reason to apprehend that the arrangement is no longer in force, and they have desired me to solicit you to state whether or not such is the case.

It will necessarily be known to you that on some recent but happily not frequent occasions, the English Mail has arrived in Bombay early in the afternoon, and has been detained there twenty hours, or upwards, before being despatched to the South. I may instance one example of detention which came under the personal observation of a Member of this Chamber, who was a passenger by the Steamer. The Mail Steamer *Bokhara*, with the English letters of the 16th March, arrived off Bombay on the 3rd April, passed the outer light ship at about 1-15 P. M., and the gentleman referred to landed, and was at the Bombay Post Office at 2-30 P. M., (Bombay time) half an hour after the usual train had left for Madras. No preparations were, however, made to send a special engine and wagon after the train, and the mails for the South consequently were detained twenty-three-and-a-half hours in Bombay. According to the Postal notification published in the local newspapers, the Mail Steamer referred to above was signalled at Bombay at 1-55 P. M. of the 3rd April; so the authorities were aware that it was in the harbour at the time that the train was allowed to leave.

I am now to ask whether, as is surmised, the employment of a special train as far as Kurjut has been discontinued and if so, whether the Government cannot empower the Postmaster of Bombay to detain the train one hour, or one hour and a half in Bombay, when the Mail Steamer is signalled, and there is reason to believe that the Mails on board of her for Southern India may then be landed in time to allow of their being forwarded by the train. At Raichore the Station Master is allowed to detain the Madras Train an hour when the Bombay Train is late, or *vice versa*; and a similar privilege might be given on exceptional occasions to the Postmaster in Bombay. The liability which despatches from the Secretary of State to this Government, official, commercial, and private correspondence; and passengers bound for the Deccan and the Madras Presidency *via* Bombay, now run, of being detained nearly twenty-

four hours in Bombay when the Mail Steamer arrives in the afternoon, is one that the Chamber consider should, on public grounds, be as much as possible avoided in justice to this part of the country. The Chamber will be glad, therefore, if you will recommend their suggestion for the favourable consideration of the Government of India.

I have, &c.,

A. MACKENZIE,
Chairman.

Simla, 21st June 1878.

TO THE CHAIRMAN CHAMBER OF COMMERCE,
Madras.

SIR,—In reply to your letter, dated the 13th June 1878, I have the honor to state that I have referred to Bombay in the matter and will address you further on the receipt of a reply.

I have, &c.,

A. M. MONTEATH,
Director General of the Post Offices of India.

Simla, 19th August 1878.

TO THE CHAIRMAN CHAMBER OF COMMERCE,
Madras.

SIR,—In continuation of my letter, dated the 21st June, I have the honor to inform you that the Post Master General, Bombay, has reported that the power given to the Bombay Post Office to detain* the ordinary train and to use a special† train in connection with the conveyance of the Madras Overland Mail has been made use of on all occasions on which the mail could be expedited thereby. These occasions during the past year were 4 in number.‡

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* Maximum Detention, ½ hour.

† The special train is only allowed as far as Kurjut and the latest hour of starting, so as to catch the ordinary train at Kurjut is 3-15 P. M. (Madras time.)

‡ 10th July 1877— Special.
17th ,, Train detained.
31st ,, Do.
9th December 1877—Special.

2. As to the particular occasion referred to in your letter, I give the particulars* furnished by the Bombay Post office. From these you will see that even the first batch of mails could not have been brought to the Railway Station in time for a special train starting at 3-15 P. M. (the latest hour allowed). I may mention that the Madras Bags are taken direct from the Pier to the Railway Station on all occasions when time presses.

3. I have taken steps for seeking the extension of the power of detention from half hour to one hour, using your representation in support of it: but I cannot say what the result will be. It will be communicated to you when known.

I have, &c.,

E. R. DOUGLAS,

for Director-General of the Post Office of India.

Simla, 22nd October 1878.

TO THE CHAIRMAN CHAMBER OF COMMERCE,
Madras.

SIR,—In continuation of my letter, No. 5,098, dated the 19th August, I regret to inform you that the G. I. P. Railway Company's Agency has declined to meet the wishes of the Madras Chamber in respect of the proposed detention at Bombay of the S. E. train to the extent of one hour on occasions when the Overland Mail for Madras might thereby be saved a detention of twenty-four hours.

2. I am sorry that in this respect the management of the G. I. P. Railway takes a different view than that of the S. P. and Delhi Railway or the E. I. Railway; but it is a matter in which I have no right to do more than make a representation.

I have, &c.,

A. M. MONTEATH,

Director-General of the Post Office of India.

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* No of Bags in Mail 239

		P. M.	
Steamer signalled at	... ...	1-35	Madras Time
Anchored at	... ...	2-30	
Landing of mails at pier.	Commenced	3-35	
	Completed	4-14	
Arrival of mails at Post Office.	First batch	3-46	
	Last batch	4-35	

Chamber of Commerce, Madras, 18th November 1878.

To THE DIRECTOR GENERAL OF THE POST OFFICES OF INDIA,
Calcutta.

SIR,—The Chamber desire me, in acknowledging your letter of the 22nd ultimo, to thank you for the efforts you have made to induce the G. I. P. Railway Company to meet the wishes of this Chamber in respect of the proposed detention of their South East Train for one hour on occasions when the Overland Mail for Madras is a little late.

As the Company decline to adopt this suggestion, the Chamber have only to trust to you to give such effect to the repeated orders of the Government of India as will ensure the use of special trains from Bombay to Kurjut on all occasions when there is a possibility of overtaking the ordinary train for Madras, and thus obviating the detention of the Mail in Bombay for nearly twenty-four hours. The Chamber suggest that you should intimate to the P. & O. Superintendent in Bombay that on occasions when the Mail Steamers arrive about midday in Bombay Harbour, every exertion should be used to land the Mails for Southern India without delay, so as to obviate the risk of their being detained for twenty-four hours in the Bombay Post Office. On such occasions the Chamber think the Mails for Southern India should have precedence over those for the north, the train for which does not leave until 6 P. M.

I have, &c.,

A. MACKENZIE,
Chairman.

Q.

ADHESIVE STAMPS.

OFFICIAL MEMORANDUM.

Revenue Department, 14*th January* 1878.

To the Secretary Chamber of Commerce,
Madras.

In forwarding the accompanying correspondence* relating to the practice of *impressing* stamps on blank sheets and private materials, the undersigned is directed to inquire whether the discontinuance of that practice would in the opinion of the Chamber of Commerce cause any serious inconvenience.

C. G. Master,
Secretary to Government.

Proceedings of the Board of Revenue, dated 20*th April* 1877.

Read the following papers :—

Proceedings of the Madras Government, dated 6th March 1877, No. 1,226, Revenue Department.

Read Proceedings of the Madras Government, dated 21st February 1877, No. 647, Financial Department.

Read the following paper from D. Barbour, Esq., Under Secretary to the Government of India, Financial Department, to the Chief Secretary to Government, dated Fort William, 30th January 1877, No. 520.

I am directed to acknowledge the receipt of your letter, No. 1,813, dated 9th October 1876, regarding the stamp on Mr. Stoney's petition for leave to file a specification of an invention.

2. It appears that the stamp on Mr. Stoney's petition was not "denoted," and that the Superintendent of Stamps merely

* Proceedings of the Board of Revenue 20th April 1877, No. 1796.
Do. do. do. 1st August „ „ 3569.
Do. do. do. 17th Sept. „ „ 4367.
Superintendent of Stamps 29th Nov. „ „ 1672.

impressed on the paper a stamp bearing the value of Rupees 100. I am however to refer you to Notification by the Government of India in this Department, No. 3,908, dated 19th June 1874, and to point out that excepting any blue and black bi-color stamps that may still remain in store the only impressed stamps that should be used are those manufactured in England.

3. I am therefore to request that, with the permission of His Excellency the Governor in Council, the Superintendent of Stamps may be directed to abstain from the practice of impressing stamps on sheets of paper.

Communicated to the Superintendent of Stamps for his information and guidance.

W. HUDLESTON,
Chief Secretary.

From W. E. WRIGHT, Esq., Superintendent of Stamps, to H. E. STOKES, Esq., Secretary to the Board of Revenue, dated Madras, 29th March 1877, No. 451.

With reference to the Proceedings of the Government of Madras, dated the 21st February last, No. 647, I have the honor to inform you that the impressing of blue and black bi-color stamps on Government water-marked paper has been already discontinued under the instructions contained in the Notification of the Government of India, No. 3,908, dated 19th June 1874; those now issued to the districts for sale from this office being stamps of English manufacture; the blue and black stamps of which there are large numbers of high values still remaining in store and in the Collectorates continue to be expended. The only papers that are now impressed with blue and black bi-color stamps are the private materials presented at this office for the purpose.

2. Agreeably to the Resolution of the Government of India, dated 18th March 1871, the several instruments specified therein are denoted with special adhesive stamps at the option of parties, and all those of the value of 20 Rs. and

upwards are duly authenticated by me. There are other instruments, however, such as conveyances, mortgage bonds, leases, partition deeds, &c., which not being included in the above Resolution, I am not authorized to denote. These are therefore forwarded to the Accountant-General, by whom they are impressed with the necessary value stamp. I have now the honor to inquire whether I am in future, under the orders of the Government of India communicated with the G. O., dated 21st February 1877, referred to above, to discontinue the practice of impressing stamps on *blank sheets* of paper only or generally on *all* private materials presented at this office to be impressed, and whether all instruments specified under Schedules I and II of Act XVIII of 1869 are without exception to be denoted.

3. If the latter course should be decided upon by the Government of India, it will then be necessary that the establishment now maintained by the Accountant-General for the impressing of these stamps should be transferred to this office.

4. In regard to Mr. Stoney's petition for filing a specification of an invention referred to by the Government of India, I beg to submit that a blank sheet of paper having been presented the required stamp was impressed thereon, as it could not have been denoted by me under the orders given in the margin.

Proceedings of Government of India, dated 27th October 1875, No. 1,490, recorded in G. O., dated 10th November 1875, No. 1,612.

The Government of India do not appear to be aware of the system in force in this Presidency under which what are called "Private goods" are impressed with a blue and black bi-color stamp in the Accountant-General's Office, after which the counter-stamp of the Superintendent is affixed at the Stamp Office. The system is explained in a communication from the Superintendent of Stamps embodied in Board's Proceedings, dated 1st April 1867, recorded in G. O., dated 17th April 1867, No. 904.

2. Under the Resolution of the Government of India, dated 14th March 1871, No. 1,510, the Superintendent of Stamps

is authorized to "denote" the stamp on certain instruments; when a large number of any description of such instruments, *e. g.* Bills of Lading, is received at one time, a few are "denoted" and issued for immediate use and the bulk are sent to the Accountant-General's Office to be impressed. The Board have already in their review of the Stamp Committee's report pointed out the advantage of this course as a saving of labor and safeguard against fraud. There are also certain other instruments not included in the list of documents which the Superintendent is authorized to "denote," and these have hitherto been impressed at the Accountant-General's Office. Besides the instruments enumerated by the Superintendent of Stamps, the Board observe that cheques, of which a large number are brought to be stamped, cannot be "denoted." The practice certainly appears to be contrary to the Resolution of the 19th June 1874, but it undoubtedly affords great convenience to the public and does not appear to be open to any objection. The effect of a strict adherence to the Resolution will be, that parties must purchase non-judicial stamp paper prior to the preparation of instruments in future except in the case of such as the Superintendent is empowered to denote. The stamping machines will, moreover, be rendered useless.

3. / The Superintendent of Stamps inquires whether he is to discontinue the practice of impressing stamps on blank sheets of paper only or generally on all private materials presented at his office to be impressed, and whether all instruments specified under Schedules I and II of Act XVIII of 1869 are without exception to be denoted. The Board understand that impressing is to cease absolutely and that blank sheets which under the Resolution embodied in G.O., dated 10th November 1875, No. 1,612, cannot be "denoted" must not in future be impressed with the value stamp. On the second point it is clear that the Superintendent's power of "denoting" has not been extended to all instruments, but is limited to such as are enumerated in the Resolution of the 14th March 1871. The Board have no means of judging what the effect of the recent order will be as regards the work in the Stamp Office, and the Superintendent should furnish particulars of the number of stamps hitherto

impressed which will henceforth have to be "denoted" to enable them to form an opinion as to whether the establishment maintained in the Currency Department, cost of which appears to be Rs. 139 per mensem, may be dispensed with or should be transferred to the Stamp Office.

Vide enclosure 1 to letter embodied in G.O., dated 20th June 1876, No. 824.

4. The Board suggest that the Government of India should be moved to permit the existing practice to continue or that the power of denoting should be extended to all instruments.

C. A. GALTON,
Sub-Secretary.

Madras, 20th April 1877.

Proceedings of the Board of Revenue, dated 1st August 1877.

Read the following letter from W. E. WRIGHT, Esq., Superintendent of Stamps, to C. A. GALTON, Esq., Acting Secretary to the Board of Revenue, dated Madras, 21st July 1877, No. 942.

Referring to the concluding part of paragraph 3 of the Board's Proceedings, dated 20th April last, No. 1,796, I have the honor to forward herewith a statement showing the number of stamps which are now being impressed and those which may in future be denoted, as also those which I am not authorized to denote, calculated according to the fasli year, and therefore including transactions up to the 30th ultimo. The statement also exhibits the number of stamps denoted under the present system.

2. On an average of the last three years the number of private goods impressed amounted daily to 933. Of this number 202 which may be denoted were impresssed at the option of the parties. Should the Government of India decide upon the compulsory denotation of all the documents it will then become necessary that the whole of the workmen at present employed in the establishment of the Paper Currency Department, with the exception of the Manager, should be transferred to this office.

3. The number of stamps at present denoted under the existing system amounts to 29,728 per annum or 113 per diem.

ENCLOSURE No. 1.

Statement showing the number of Stamps which are now being impressed, those which may in future be denoted and those which the Superintendent is not authorized to denote.

	Number of Documents which may be denoted in future.	Number of Documents which the Superintendent is not authorized to denote.	Total number of Documents at present impressed.	Number of Documents at present denoted.
Fasli 1284	53,087	161,021	214,108	29,917
Do. 1285	53,756	195,967	240,723	28,298
Do. 1286	52,806	222,126	274,932	30,970
Total...	159,649	579,114	738,763	89,185
Average for a year	53,216	193,038	246,254	29,728
Do. per diem at 22 working days in a month	202	731	933	113

W. E. WRIGHT,
Superintendent of Stamps.

Madras, 21st July 1877.

Submitted for the information and orders of Government.

2. It will depend on the orders passed on paragraph 4 of Board's Proceedings, dated 20th April 1877, No. 1,796, whether the establishment maintained in the Currency Department is to be retained there or to be transferred to the Stamp Office.

C. D. MACLEAN,
Additional Sub-Secretary.

Proceedings of the Board of Revenue, dated 17th September 1877.

Read the following Memorandum from the Acting Superintendent of Stamps, Madras, to C. A. GALTON, Esq., Acting Secretary to the Board of Revenue, dated 13th August 1877, No. 1,060.

[*Your Memorandum, Miscellaneous No.* 11,076, *dated 9th instant.*]

The undersigned begs to state that the nature of the documents in the first and fourth, or last, columns of the statement referred to is precisely the same, the documents being those on which the stamps may be "denoted" under the Resolution of the Government of India, dated 18th March 1871, of which a List,

No. 1, is annexed. The only difference is that the stamps on the documents falling under the first column were impressed as the parties applying wished this to be done or did not specify in their applications the description of Stamp required, and those under the last column were denoted at the express request of the parties. The nature of the documents in the second column is specified in the accompanying List, No. 2, being the documents which the Superintendent is not authorised by the Resolution of 18th March 1871 to denote. The third column is the total of the first and second columns and includes documents specified in both the accompanying lists.

J. G. FERRAND,
Actg. Supt. of Stamps.

LIST No. 1.

Nature of Documents falling under the first and fourth, or last, columns of the Statement appended to Letter from Superintendent of Stamps to the Board of Revenue, dated 21st July 1877, No. 942.

Under Schedule I of Act XVIII of 1869.

1. Bill of Exchange payable, otherwise than on demand, *when the Bill is drawn within British India.*

3. Policy of Insurance.

4. Transfer of a share in a Company or Association, *when the transfer is effected by separate deed.*

6. Bottomry Bond.

7. Respondentia Bond.

8. Customs Bond.

Under Schedule II of Act XVIII of 1869.

9. Bill of Lading.

10. Dock-warrant.

12. Notice of Protest by the Master of a ship.

13. Power of Attorney to present for Registration.

18. Power of Attorney for the performance of a single act when the value of the matter to be dealt with does not exceed Rupees 500.

19. Power of Attorney for the performance of a single act when the value of the matter to be dealt with exceeds Rupees 500.

32. Power of Attorney not otherwise provided for by this schedule.

When the Power of Attorney has been executed out of British India, or when it is written on a printed form such as those kept by Banks and Commercial Houses for the transaction of the business of their constituents.

14. Affidavit not made for the immediate purpose of being produced in any Court.

21. Instrument evidencing an agreement to secure the repayment, on or before the expiration of three months from the date of such instrument, of a loan made upon the deposit of the Title-deeds or other valuable security.

22. Charter party.

23. Notarial Act.

24. Protest of a Bill of Exchange or Promissory Note.

25. Protest of the Master or owner of a Ship.

33. Articles of Association of a Company.

34. Memorandum of Association of a Company.

35. Appointment in execution of a Power, whether of Trustees or of property, movable or immovable, where made by any writing not being a Will.

36. Declaration of any use or Trust of or concerning any property, movable or immovable, where made by any writing not being a Will.

40. Petition for leave to file a specification of an invention, or for the extension of the term of the exclusive privilege of making, using or selling such invention in India.

41. Articles of Clerkship or contract whereby any person shall first become bound to serve as a Clerk in order to his admission as an Attorney in any High Court.

List No. 2.

Nature of Documents falling under the second column of the Statement appended to Letter from Superintendent of Stamps to the Board of Revenue, dated 21st July 1877, No. 942.

Under Schedule I of Act XVIII of 1869.

2. Promissory Note payable otherwise than on demand.

5. Bond for any specified amount other than Administration Bond.

9. Indemnity Bond.

10 and 16. Mortgage Deed.

11 and 17. Instrument of further charge.

12. Bond or Mortgage Deed for the due execution of an office, or to account for money received by virtue thereof.

13. Assignment of any interest secured by a Bond or Mortgage Deed.

14. Settlement.

15. Conveyance.

18. Instrument of Exchange or Partition of immovable property when money is paid for equality of exchange or partition.

19. Lease.

20. Surrender of Lease.

21. Appraisement or valuation of property.

22. Award.

23. Copy, Duplicate or Extract.

Under Schedule II of Act XVIII of 1869.

1. Bill of Exchange, Promissory Note, Cheque or Order.
2. Letter of Credit.
3. Agreement or Memorandum of Agreement relating to the sale of any Government Security, share in a Company or Bill of Exchange.
4. Share Certificate.
5. Note or Memorandum written in any book or paper whereby any account is balanced.
6. Shipping Order.
7. Receipt.
8. Proxy.

As the stamp duty on these, 1 Anna each, may be denoted by an adhesive stamp, few are *impressed*; but, although adhesive stamps are allowed for cheques, impressed stamps seem to be preferred.

11. Any Agreement or Memorandum of an agreement not otherwise provided for by this Act.

13, 18, 19 and 32. Power of Attorney executed in British India and not written on a printed form.

15. Collateral Instrument not otherwise provided for by this Schedule.

16. Counterpart of any instrument.

17. Instrument of Dissolution of Partnership.

20. Bond or Mortgage-deed executed as a collateral security for the performance of any Act.

26. Instrument of Co-partnership.

27. Reconveyance of Mortgaged Property.

28. Composition-deed.

29. Letter of License.

30. Release.

31. Instrument purporting to confer an authority to adopt.

37. Instrument of gift of immovable property.

38. Instrument of exchange of immovable property.

39. Partition deed relating to immovable property.

J. G. FERRAND,

Madras, 13th August 1877. *Actg. Superintendent of Stamps.*

Submitted to Government with reference to their Memorandum, dated 6th August 1877, No. 333, and previous correspondence.

2. The last communication from the Superintendent, in Proceedings, dated 1st August 1877, No. 3,569, showed that out of an average of 933 documents per diem hitherto impressed by the Currency Department in the Accountant-General's Office on "private goods" under the system to which the Government of India take exception, 202 only would in future be capable of being denoted by the Superintendent, and in the case of 731 the public would lose the convenience of stamping on their private papers and documents altogether. The present communicatio[n] quotes the lists defining the documents which can and wh[ich]

cannot be denoted under existing orders. List No. 1 shows the nature of the 202 documents, and List No. 2, that of the 731 documents just mentioned.

3. The Board's request has been (paragraph 4 of Proceedings, dated 20th April 1877, No. 1,796) that, if the present local practice cannot be allowed to continue, denoting may at any rate be sanctioned for all cases other than those provided for by clause (*a*) Section 5 of the General Stamp Act. They would point out now that under the original Notification, dated 13th January 1870, No. 319, no restrictions as to the class of instruments on which stamps might be denoted were imposed, and by a subsequent Order, dated 23rd March 1870, No. 2,060, authority was given to substitute embossed stamps impressed with a cold steel die for denoting, whenever special adhesive stamps were not available. The existing limitation was introduced in the following year (Notification, dated 14th March 1871.)

4. With reference to the question of work and establishments, it is observed from the Superintendent's last communication that the work of denoting in his office may be taken to be represented at present by the figure 113, whereas if the arrangements suggested by the Government of India are put in force, the figure will be 113 + 202, or 315. The Superintendent has stated that in the latter case he will require all the workmen now employed at the Currency Department Office except the Manager.

C. D. MACLEAN,
Additional Sub-Secretary.

From W. E. WRIGHT, Esq., Superintendent of Stamps, to H. B. GRIGG, Esq., Under Secretary to Government, Revenue Department, dated Madras, 29th November 1877, No. 1,672.

In reply to your Official Memorandum, dated 21st instant, No. 482, I have the honor to report as follows:—

(1.) No establishment is maintained at present exclusively for employment in denoting *private goods*. This work is conducted by an establishment of three men maintained for the purpose of affixing the counter-stamp of this office on private

materials after they have been impressed with the value stamp at the Stamping Department of the Accountant-General's Office.

	Rs.
1 Clerk	35
2 Pressmen, at 10 Rs. each ...	20
2 Do. at 7 „ „ ...	14
2 Counters, at 8 „ „ ...	16
Total...	85

An establishment, noted in the margin, sanctioned by Government in their Proceedings, dated 9th September 1876, No. 1,245, is maintained exclusively for denoting Government water-marked bill paper for supply to districts.

(2.) If the daily average of 202 documents at present impressed but admissible for denotation are denoted instead, an extra hand on Rs. 10 a-month will be required to assist the present employés in detaching labels and affixing them to documents.

(3.) In the event of all private goods, amounting to a daily average of 933, having to be denoted instead of being impressed, the establishment given in the margin, which is the establishment in the Accountant-General's Office with the Manager omitted, will be required. In case of the transfer of these hands for the above purpose, the extra hand mentioned in (2) will not be wanted.

	Rs.
1 Counter...	10
2 Pressmen	20
2 Do.	16
1 Counter (Gollah)	8
1 Die Setter	20
1 Blacksmith	15
Total...	89

Chamber of Commerce, Madras, 25th January 1878.

To the Secretary to Government,
Revenue Department.

Sir,—I have the honor to acknowledge receipt of your Memorandum of the 14th instant inquiring whether the discontinuance of the practice of impressing stamps would, in the opinion of this Chamber, cause any serious inconvenience.

2. I am, in reply, desired to state that the withdrawal of the privilege conceded to bankers and merchants of having negotiable instruments such as cheques, and forms such as Insurance Policies, Bills of Lading, &c., impressed at the Stamp Office with the necessary stamp (especially where such forms are

made up in books or procured from Europe, as is usually the case) would certainly entail great inconvenience on the mercantile community.

3. The Chamber take this opportunity to remark that it would be an undoubted boon to the public if the Government permitted the use of adhesive stamps in the same way as they are employed elsewhere. These stamps might be brought for use as required and affixed as wanted, thus obviating the present tedious practice of sending the papers to the Stamp Office to have the stamps put on and cancelled by the office. This practice, as far as the Chamber are informed, is peculiar to India. It causes delay in business, and must involve extra work and expense for establishment in the Stamp Office; whereas the open sale of adhesive stamps at the Stamp Office, or elsewhere, to be employed at the convenience of the purchasers, and cancelled by them as used, would much facilitate the routine work of all engaged in trade. It would not do away with the use of impressed stamps which would still be extensively used by the Banks and larger Mercantile Establishments, but it would be a great convenience even to these where, as often happens, their stock of stamps of a special value is temporarily exhausted, and there is no time to go through the present tedious form for procuring adhesive stamps; while to smaller traders, whose stamp requirements are intermittent, and of varying amounts, it would be a great concession.

4. It may be that in regard to mortgages, conveyances, and similar documents for permanent or extended use, a special form of stamp is desirable, and it perhaps is expedient that such stamps should still be in all cases impressed; but in all ordinary business there seems to the Chamber no advantage either to the State or to the public in maintaining the present cumbrous system.

I have, &c.,

A. MACKENZIE,
Chairman.

ORDER THEREON, 20th February 1878, No. 272.

The Government resolve to forward the foregoing correspondence to the Government of India with their recommenda-

tion that the present practice of impressing private materials whether blank or otherwise be allowed to continue.

2. At the same time it is observed that by the 3rd clause of the Notification of the 14th March 1871, No. 1,510, the powers of the denoting officer are practically almost unlimited.

"Officers empowered to 'denote' may at their discretion 'denote' the stamp on *any* instrument which is drawn up by Solicitors or in the English form, and in regard to which the use of the impressed bi-color stamp would obviously be inconvenient."

3. The remarks of the Chamber of Commerce as to the "form for procuring adhesive stamps" have reference to the *special* adhesive stamps which can only be affixed to a document by the officer empowered to denote.

4. Pending the reply of the Government of India no change need be made in the practice of impressing hitherto in force.

C. G. MASTER,
Secretary to Government.

OFFICIAL MEMORANDUM, No. 44.

Revenue Department, 16th February 1878.

TO THE CHAIRMAN CHAMBER OF COMMERCE,
Madras.

With reference to the letter from the Chairman of the Chamber of Commerce, dated 25th January 1878, the undersigned is directed to ascertain whether the allusion in the penultimate para. to "the present tedious form for procuring adhesive stamps" refers, as the Government understand it to *special* adhesive stamps.

C. G. MASTER,
Secretary to Government.

Chamber of Commerce, Madras, 18th February 1878.

TO THE REVENUE SECRETARY TO GOVERNMENT,
Fort St. George.

SIR,—In reply to your enquiry Memorandum 44, dated 16th instant, I have the honor to state that the term "*special* adhesive stamps" employed by you is not clearly understood. The usual

custom when forms are stamped in anticipation of office requirements is to send such forms with a Memorandum of instructions to the Stamp office whence the forms are sent to the Accountant General's office and the necessary tricolor stamps impressed upon them. If forms are wanted for *instant* use, they are sent to the Stamp office with a memo. requesting that *adhesive* stamps may be affixed as an emergent case, and the forms returned. This is done accordingly at the Stamp office itself, the stamp being cancelled by a plain black die. It will be observed that no "*special* adhesive stamp" is used, but that adhesive stamps are only used on *special occasions.*

The suggestion of the Chamber is that instead of requiring the tender of forms at the Stamp office in order that adhesive stamps may be there put on them, and cancelled by the Stamp office die, the community may be allowed the privilege of purchasing adhesive stamps at any time to be kept in stock and to be affixed by themselves as wanted. The present practice is rightly called "tedious," for it involves the preparation of a Memorandum of instructions, the sending of forms and Memorandum to the Stamp office, and detention there for a certain length of time while the stamp is being affixed and cancelled, and then the return of the messenger to the Bank or Merchant's office, while the document to be stamped may be needed for *instant* use to save a post or a mail.

I have, &c.,

A. MACKENZIE,
Chairman.

Proceedings of the Madras Government, Revenue Department, 21*st June* 1878.

Read the following letter from the Government of India, Financial Department, dated 27th May 1878, No. 566.

I am directed to acknowledge the receipt in the Revenue and Commerce Department, of your letter No. 273, dated 20th February 1878, recommending that the practice of impressing bi-color stamps on private materials, may be allowed to continue in Madras.

2. It will be seen from my letter No. 2,031, dated 31st March 1871, and subsequent correspondence that the Government of India resolved to arrange for the manufacture in England, of stamp papers of very superior designs and of special water mark, in order to guard against forgery, to which the bi-color stamp papers manufactured in this country were liable. The measure involved a heavy additional charge towards providing which was reckoned the savings that would accrue by discharging the establishments maintained for working the machines for printing the bi-color stamps. The proposal contained in your present letter will, not only so far as it operates, frustrate the object which the Government of India had in view, but will also have the effect of facilitating forgery by perpetuating the use of the bi-color stamp paper.

3. Under these circumstances, His Excellency the Governor General in Council regrets his inability to accede to the recommendation of the Government of Madras. The practice of impressing stamps on private materials has long been discontinued in all other parts of the country and I am to point out that the statement made in the 2nd para. of your letter is incorrect, inasmuch as definite orders for the discontinuance of the practice in question were issued so long ago as October 1875.

4. I am therefore to request that you will move His Excellency, the Governor in Council, to discharge the establishment which works the machines for printing bi-color stamp papers, and to cause the machines themselves to be dismantled under competent mechanical supervision.

5. Before the machines are dismantled, they should be photographed and needful instructions prepared in detail, so that the machinery may be put together again, if required.

6. If these instructions necessitate an increased supply of stamps from England, a supplementary indent should be submitted.

7. In conclusion, I am to invite your attention to my Circular, No. 2,248, dated 18th August 1876, and to point out that your letter under reply should have been addressed to me.

ORDER THEREON, 21st June 1878, No. 949.

Communicated to the Board of Revenue, the Accountant General and the Chairman of the Chamber of Commerce.

2. The Board and the Accountant General will arrange for the immediate discontinuance of the practice of impressing private materials and for the discharge of the establishment from the end of the current month.

3. The Board will notify in the *Gazette* of Tuesday next for the information of the public that private goods can no longer be impressed with bi-color stamps.

4. Attention is directed to the further instructions contained in paragraphs 4, 5, and 6 of the letter from the Government of India. The Board will take the necessary steps to carry them into effect.

C. G. MASTER,
Secretary to Government.

Chamber of Commerce, Madras, 6th July 1878.

TO THE SECRETARY TO GOVERNMENT,
Revenue Department.

SIR,—I have the honor to acknowledge Proceedings of Government, 21st ultimo, reporting that the Government of India have ordered the immediate discontinuance of the practice of impressing bi-color stamps on private materials. Members of the Chamber are naturally interested to know what will be the future practice in regard to stamping such articles as books of cheques, books of bill forms, and similar materials, which are usually obtained by them from England, and have hitherto been *impressed* with the bi-color stamp at the Stamp Office.

2. In my letter of 18th February, I had the honor to remark, on behalf of the Chamber, that it would be a great convenience to the public to be allowed to purchase such supplies of adhesive stamps as they might require from time to time, and to affix and cancel the same as used. This practice is already in force with stamps of low denomination, for example, receipt and demand draft stamps, stamps on Custom Bills of entry, and stamps on transfers of shares.

3. In regard to stamps on Bills of Exchange drawn in India, stamps on Policies of Insurance, and Bills of Lading, the practice for some little time past has been to affix adhesive stamps to them at the Stamp Office, where at the same time they are cancelled by a bi-color *hand stamp*. I am informed, in answer to inquiries at the Stamp Office that in future the public will be required to present all its private materials above described at the Stamp Office, in order that the stamps may be there affixed, and cancelled by hand die as above described.

4. It appears to the Chamber that a process such as this, will probably call for the employment of as large a staff of clerks as was entertained in the Impressing establishment which has just been broken up. The Chamber venture to think that, as I remarked in my letter of 18th February, the community may safely be allowed the privilege of keeping adhesive stamps in stock, and affixing them themselves as required. In order to prevent fraud by the re-employment of such stamps, the Government might hold the persons using them, responsible for their effectual defacement as is already done in the case of the stamps of small denominations above referred to.

5. I have therefore to request the consideration of Government once more to this subject, in the belief that the change of system which it is understood is now introduced will not practically reduce the duties and work of the Stamp Office establishment; while the alteration suggested by the Chamber would undoubtedly save the community much loss of time, and be productive of general convenience.

I have, &c.,

A. MACKENZIE,

Chairman.

ORDER THEREON, 8th August 1878, No. 1,273.

The attention of the Chairman, Chamber of Commerce, will be drawn to Section 5 of the General Stamp Act* from which he will see that the use of adhesive stamps is limited by law.

* XVIII of 1869.

2. Copy of these Proceedings embodying the Chairman's letter will be forwarded for the information of the Government of India.

C. G. MASTER,
Secretary to Government.

R.

STAMPED CHEQUE-BOOKS.

Proceedings of the Madras Government, Financial Department, 14th September 1878.

From E. J. SINKINSON, Esq., Officiating Under Secretary to the Government of India, Financial Department (Separate Revenue—Stamps), to the Chief Secretary to Government, dated Simla, 13th June 1878, No. 856.

I am directed to forward, for consideration, an extract, paragraph 2, from a letter from the Comptroller-General, No. 222, dated 4th May 1878, containing a proposal that Government should undertake to sell to the public stamped cheque-books and bill-books.

2. I am to request that the opinion of His Excellency the Governor in Council on the suggestion may be communicated to the Government of India.

ENCLOSURE No. 1.

Extract from a letter from the Comptroller-General, to the Secretary to the Government of India, Financial Department, dated 4th May 1878, No. 222.

Para. 2. The Commissioner of the Sitapur Division, in his report on the Sitapur Treasury, throws out a suggestion that the Treasury should keep cheque-books and counterfoil bill-books stamped for sale, the object being to remove the difficulties which the public now experience in obtaining the means of complying with the provisions of the Stamp Law. I would recommend this proposal for the consideration of Government.

Referred to the Accountant-General for report in communication with the Board of Revenue.

D. F. CARMICHAEL,
Chief Secretary.

Ootacamund, 24th June 1878.

From L. C. PROBYN, Esq., Accountant-General, to the Chief Secretary to Government, dated Fort St. George, 26th July 1878, No. 5,014.

With reference to your endorsement, No. 1,092, dated the 24th ultimo, on Government of India, No. 856, dated the 13th idem, I have the honor to forward the Proceedings of the Board of Revenue, No. 1,926, dated the 11th instant, which embody my views on the subject.

ENCLOSURE No. 1.

Proceedings of the Board of Revenue, dated 11th July 1878, No. 1,926.

Read the following letter from L. C. Probyn, Esq., Accountant General, Madras, to the Acting Secretary to the Board of Revenue, dated Fort St. George, 28th June 1878, No. 4,407:—

With reference to the accompanying endorsement of the Chief Secretary, No. 1,092, dated the 24th instant, I have the honor to state that I think it very likely, if stamped cheque-books and counterfoil bill-books were kept duly stamped for sale at the price only of the stamp, there would be a considerable demand for them, and it would probably help the Stamp Revenue. I doubt very much, however, their being used unless they can be supplied at the cost of the stamp alone.

2. Each form, I think, should be distinguished by serial letters and a number. This would be a great convenience to the parties who use them, and would be an immense safeguard against fraud. I imagine it would not add very materially to the expense. I need scarcely remark that with different combinations of three letters of the alphabet and five figures there would be no difficulty in giving effect to this plan without the risk of repetition.

3. Forms should be supplied both in English and the Vernacular, but the numbers and distinguishing serial letters should be in English.

The Board approve the suggestions made by the Accountant-General.

J. STURROCK,
Acting Sub-Secretary.

Proceedings of the Madras Government, Financial Department, dated 3rd August 1878, No. 1,356.

Read Proceedings of the Board of Revenue, dated 11th July 1878, No. 1,926.

ORDER.—The Chamber of Commerce, Madras, will be requested to favor Government with their opinion on the subject adverted to in the Proceedings of the Board of Revenue above recorded.

D. F. CARMICHAEL,
Chief Secretary.

Chamber of Commerce, Madras, 4th September 1878.

To the Chief Secretary to Government,
Fort St. George.

Sir,—I have the honor to acknowledge receipt of the Proceedings of the Madras Government, dated 3rd ultimo, requesting the opinion of the Chamber on the suggestion made by the Accountant-General to the Board of Revenue that Government should undertake to sell to the public stamped cheque-books and counterfoil bill-books priced at the cost of the stamps alone.

2. In reply I am to state that this proposal is based on the erroneous assumption that "there would be a considerable demand for them;" whereas there is no reason to suppose that Bankers and Merchants will discontinue the use of distinctive forms in order to employ the uniform forms offered at the Stamp Office.

3. I beg also to acknowledge receipt of the Proceedings of the Madras Government, dated 8th ultimo, drawing the attention of the Chamber to Section 5 of the General Stamp Act, No. XVIII of 1869, in which the use of adhesive stamps is limited by law.

4. The Section 5 to which the Government refer states that—

(*a.*) All instruments chargeable under this Act with the duty of one anna, bills of exchange and promissory-notes drawn or made out of British India, and transfers by endorsement of shares of Companies and Associations may (subject to the provisions hereinafter contained) be stamped with adhesive stamps.

(*b.*) The stamp on every other instrument chargeable under this Act shall either be impressed on the paper whereon the instrument is written or be otherwise denoted by the Collector or the Superintendent of Stamps in accordance with such rules as the Governor-General of India in Council may from time to time prescribe in this behalf.

5. It seems to have escaped the recollection of the Government that experience soon proved that the limitation in Class (*a*) was too rigid, and that, in order to promote the convenience of commerce, the Governor-General in Council, early in 1871, in exercise of the power conferred by clause (*b*) prescribed an amended set of Rules for the "denoting" of stamps, which

Rules were published by the local Superintendent of Stamps in a Circular Memorandum under date the 24th March 1871. According to these Rules, Superintendents of Stamps were empowered to denote the stamp on the following instruments:—

1. Bill of Exchange drawn *within* British India.
2. Policy of Insurance.
4. Transfer of a Share in a Company where the transfer is effected by separate Deed.
5. Bottomry Bond.
6. Respondentia Bond.
8. Customs Bond.
9. Bill of Lading.
10. Dock Warrant.
12. Notice of Protest by the Master of a Ship.
13. 18. 19. 32. Various kinds of Powers of Attorney.
14. Affidavit.
21. Agreement for the Repayment of a Loan.
22. Charter-party.
23. Notarial Act.
24. Protest of Bill of Exchange or Promissory-note.
25. Protest of the Master or Owner of a Ship.
33. Articles of Association of a Company.
34. Memorandum of Association of a Company.
31. Appointment in execution of a Power, &c.
36. Declaration of any Use or Trust, &c.
40. Petition for leave to file a Specification of an Invention, &c.
41. Articles of Clerkship to an Attorney.

6. This concession has been availed of very largely, in fact on every occasion where a document was wanted for immediate use.* And it is the knowledge of this extended use of adhesive stamps and the convenience found therein which prompts the Chamber to submit, as in my letter to you of the 6th July, that the public may safely be allowed to purchase supplies of adhesive stamps and to affix and cancel the same as used for any description of document without putting the Superintendent of Stamps to the trouble of affixing and cancelling even in the present limited degree.

I have, &c.,

A. MACKENZIE,
Chairman.

* The *modus operandi* being sticking on an adhesive stamp and cancelling it by hand die.

ORDER THEREON, 14th September 1878, No. 1,654.

Ordered that paragraphs 3 to 6 of the letter from the Chamber of Commerce be transferred to the Revenue Department for disposal.

2. Ordered also that the following letter be addressed to the Government of India.

C. G. MASTER,
Acting Chief Secretary.

Proceedings of the Madras Government, Financial Department, dated 24th October 1878.

Read the following paper :—

Proceedings of the Madras Government, Financial Department, dated 14th September 1878.

ABSTRACT.—*Stamped Cheque-books.*—Paragraphs 3 to 6 of a letter from the Chamber of Commerce, regarding the use of adhesive stamps, transferred to the Revenue Department for disposal; and a letter addressed to the Government of India stating that this Government see no use or advantage likely to result from the experiment proposed that Government should undertake to sell to the public stamped cheque-books and bill-books.

ORDER THEREON, 24th October 1878, No. 1,715.

The attention of the Chairman of the Chamber of Commerce will be drawn to G. O.,* 20th February 1878, No. 272, in which reference is made to Government of India Notification, dated 14th March 1871, No. 1,510, which contains the rules for denoting stamps on instruments.

2. Denotation, which consists in applying and defacing *special* adhesive stamps, can only be performed legally† "by the Collector or Superintendent of Stamps," and thus the application or use of adhesive stamps by the public is, as already pointed out, limited by law to the instruments quoted in Clause (*a*), Section 5, of Act XVIII of 1869.

LORNE A. CAMPBELL,
Under Secy. to Govt.

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* Copy already communicated. † *Vide* (*b*) Section 5, Act VIII of 1869.

S.

STAMP DUTY ON MERCANTILE DOCUMENTS.

Simla, 9th November 1878.

To the Secretary Chamber of Commerce,
Madras.

Sir,—In forwarding, for the information of the Chamber of Commerce, the accompanying Memorandum, dated 5th October, on the question of the most convenient method for a levy of the stamp-duty upon certain instruments, I am directed to invite particular attention to the three last paragraphs thereof.

2. The enquiries suggested in the penultimate paragraph are being conducted by Mr. J. E. O'Conor, Assistant Secretary in the Department of Revenue, Agriculture and Commerce; and His Excellency the Governor General in Council will be glad if the Chamber of Commerce will assist that gentleman in his investigations, and also if the Chamber of Commerce will favor the Government of India in this Department with an expression of its views on the subject.

I have, &c.,

E. J. Sinkinson,
Under Secy. to the Govt. of India.

Memorandum in regard to the mode of stamping instruments liable to Stamp-duty under the new Stamp Bill.

Under the Provisions of Section 10 (of the Bill), the following instruments may be stamped by means of adhesive labels, to be affixed by the holders or makers of the instruments :—

I.—Foreign bills and promissory notes, *i.e.*, bills of exchange or promissory notes drawn or made out of British India, but used or negotiated within it.

II.—Share transfers, when the transfer is effected by endorsement.

III.—Instruments subject to stamp-duty of one anna only.

These last are—

(*a*) Agreements relating solely to sales of Government securities, shares, or bills of exchange;

(*b*) Bills of exchange, and promissory notes payable on demand;

(*c*) Cheques;

(*d*) Certificates of title to shares, scrip or stock;
(*e*) Broker's notes;
(*f*) Delivery orders in respect of goods exceeding twenty rupees in value;
(*g*) Letters of allotment of shares, &c.;
(*h*) Notes or memorandum in respect of account current debts or demands for an amount exceeding twenty rupees;
(*i*) Proxies;
(*j*) Receipts for money, &c., exceeding twenty rupees in amount or value;
(*k*) Shipping orders.

Whilst, for all other instruments subject to stamp-duty, impressed stamps must be used, "*unless the Governor General in Council otherwise directs*" the intention of these last words being, not merely to provide an alternative mode of stamping instruments liable to duty, and for which the impressed stamp is ill-adapted, but also to give the utmost freedom to the Government to vary the manner of collecting its stamp revenue as circumstances may render desirable.

I have, in a former note, drawn attention to the recommendation of the Stamp Committee of 1876 in regard to the supply for sale of receipt and cheque forms, duly stamped; for, although the public have the option of using adhesive stamps for these and all other instruments subject to one-anna duty only—and it was, for obvious reasons, expedient to enact that the public should have such option—yet, as the interests of the revenue are better protected by the use of stamped forms, it seems desirable to endeavour to induce the public to use such forms, if they can be supplied on such terms, and in such a shape, as will tend to even greater convenience and advantage than the general use of adhesive stamps.

It seems likely that forms, not only of cheques and receipts, but also of the instruments marked above (*b*), (*d*), (*e*), (*f*), (*g*), (*i*), (*j*), and (*k*), could be supplied for sale to the public on such conditions as would afford the same inducement to persons requiring stamps to use them preferentially to the adhesive stamps, as is offered in the case of stamped envelopes for postal purposes.

Then, as regards the instruments, above adverted to, liable to stamp-duty, but for which the impressed stamp-paper is

unsuitable, it will be necessary to prescribe by rules the mode of stamping to be adopted under the new law.

The existing practice in these cases is described in the Government Notification dated 14th March 1871, and is as follows :—

(c) "The method of denoting stamps shall be as follows :—Special adhesive stamps of different colours and patterns for each value are to be applied by the denoting officer to instruments brought to be stamped by the public, and the stamps, after being applied, are to be defaced by a stamping-machine before such instruments are returned. The denoting officer shall, in all cases in which the value of the stamp is Rs. 20 or upwards, append his usual full signature on the instrument immediately under the stamp."

The instruments which are now ordinarily stamped by means of the "denoting procedure" just cited, and for which the bi-color impressed stamp is not adapted, are detailed in the Notification abovementioned. They are—

1. Bills of exchange, and promissory notes payable otherwise than on demand. 2. Bonds (Bottomry and Respondentia). 3. Instruments evidencing an agreement to secure the repayment of loans, within a short period, made on the deposit of title-deeds or other valuable security. 4. Policies of insuranee. 5. Transfers of shares (by separate deed).	These instruments are all liable to the *ad-valorem* rate of duty, without any maximum limit.
6. Customs bonds.	Subject to *ad-valorem* duty, with maximum limit of Rs. 5.
7. Articles of clerkship.	Fixed duty Rs. 250 (according to the New Bill.)
8. Petition to file specification of indenture, &c.	Fixed duty Rs. 100.
9. Articles of Association.	Fixed duty Rs. 25 (according to New Bill.)
10. Memorandum of Association. 11. Appointment in execution of a power, &c., &c., made by any writing not being a Will. 12. Declaration of any use or trust, &c., &c., made by writing other than a Will.	Fixed duty Rs. 15.
13. Powers-of-attorney, when drawn up in the English form.	Subject to fixed duty— Rs. A. P. of (*a*)... 5 0 0 of (*b*)... 1 0 0 of (*c*)... 0 8 0 According to the New Bill.

14. Affidavits. 15. Charter-parties. 16. Notarial acts. 17. Protests.	Fixed duty Re. 1 (according to New Bill.)
18. Agreements or indentures, &c., when drawn up in the English form. 19. Notices of protest.	Fixed duty Annas 8 (according to New Bill.)
20. Bills of lading. 21. Warrants for goods.	Fixed duty Annas 4.

The Government Notification also extends the denoting procedure to—

"any instrument which is drawn up by attorneys, or in the English form, and in regard to which the use of the impressed bi-color stamp would obviously be inconvenient."

Under this Rule, would probably come the following instruments :—

22. Enrolment of advocates and vakils, under the Letters Patent of any High Court. 23. Enrolment of attorneys. 24. Composition-deeds. 25. Inspectorship-deeds. 26. Instruments of partnership. 27. Instruments of transfer of property under the Administrator General's Act (II of 1874). 28. Revocation of any use or trust. 29. Letters of license.	Fixed duty Rs. 10 (according to present Bill.)
30. Instruments of apprenticeship. 31. Instruments of dissolution of partnership. 32. Instruments of transfer of property from one trustee, &c., to other trustees.	Fixed duty Rs. 5.

This "denoting procedure," though supposed to have been fairly successful in protecting the revenue from losses by fraud, is certainly a somewhat clumsy contrivance; and, in the case of many of the above classes of instruments—such, especially, as bills of exchange, instruments of loan, policies of insurance, transfers of shares (by separate deed), and bills of lading—gives no small inconvenience to the public.

The question for present consideration is, whether this form of stamping is to be continued, and embodied in the Rules required by the new Bill. It seems likely that forms of many of

these instruments could be supplied for sale, with the required stamp impressed thereon; and, if so, then the security of the revenue, and the greater convenience of the public, would alike be promoted by their general adoption.

Stamped forms of "customs bonds" are, I believe, already supplied on sale, and there would appear to be no great difficulty in supplying stamped forms in the case of some instruments subject to a fixed duty, such, for instance, as those numbered 13, 14, 15, 17, 19, 20, and 21 in the foregoing list, and also some of the instruments coming under Nos. 1, 2, 4, and 5; that is to say, there are probably certain amounts amongst the *ad-valorem* duties which are in most common request, and stamped forms for such amounts might be provided tentatively.

But, in order to come to any well-founded conclusion as to how far stamped forms would meet the public convenience, and could be supplied with a reasonable prospect of their being readily purchased by the mercantile public and others, it would be necessary to institute detailed local enquiries; and what I should recommend is, that some officer or officers in the Financial Department, and serving directly under the Government of India (not under the Local Governments), should be employed, if possible, in instituting careful enquiries, both as to the feasibility of supplying stamped forms in the case of instruments which may be stamped with adhesive stamps, and also those now stamped under the denoting process, in such a shape as would be acceptable to, and approved by, the mercantile and trading community for their general use, and as to the quantities of each different kind of form required, say, for a year's consumption.

These enquiries would have to be conducted in the several Presidency Towns, and in personal communication with the representative members of the Chambers of Commerce and Trades' Associations, as also other leading members of the mercantile and trading community, whom the officers entrusted with the enquiry might be advised to consult.

If this suggestion is approved by the Government of India, and immediate action taken, it would be quite possible for the enquiries to be completed at each Presidency Town, and the re-

ports of the results of such enquiries submitted on the 1st proximo.

5th October 1878. F. R. COCKERELL.

Chamber of Commerce, Madras, 16th December 1878.

TO THE SECRETARY TO THE GOVERNMENT OF INDIA,
Financial Department.

SIR,—With reference to the Under-Secretary's letter, No. 3807, (Financial Department, Separate Revenue Stamps) dated 9th ultimo, I have the honor to inform you that this Chamber has already communicated to the local Government its views upon the proposed alteration in the practice of stamping, either by impression, or by the form known as "denoting," private materials; and their letter may perhaps have reached you through the usual official channels; but in case it should not have done so, I now forward a copy for your information.

I may add that on the occasion of Mr. O'Conor's visit to Madras, I had some conversation with him on this subject and especially on the possibility of introducing the change advocated by this Chamber in the present practice of selling adhesive stamps. The Chamber is strongly in favor of the unrestricted sale of adhesive stamps to be affixed to documents as they pass into use by the parties making such documents. The practice is, so far as the Chamber are aware, in full use in all other countries where stamps are employed. It certainly is the most convenient for trade, and the objections urged against it, that it affords facilities for fraud, seem to the Chamber insufficiently supported by any available evidence. The Chamber venture to think that as a general rule the parties who have occasion to use such stamps are in a position which they would not care to forfeit for the trifling advantage of using stamps twice over. The documents for which such stamps would be required are intended for circulation, so that the risk of detection would commence from the moment the fraud had been committed, and this of itself would be a very considerable protection to Government, even apart from any other consideration such as I have alluded to. I believe it has been laid down as a maxim in all countries where such stamps are employed that though it may be impossible to guard

against occasional and exceptional instances of fraud, yet the loss sustained by Government through such exceptional cases is trifling as compared with the expense of the elaborate administrative machinery necessary to ensure a perfect safeguard against any attempt at fraud: and that the Indian Government has not with all its checks been able to secure complete immunity, is sufficiently proved by the recent disclosures in regard to the irregularities in certain judicial establishments, where "Court fee" stamps are stated to have been used twice over; and that in spite of all the checks which are employed in regard to such matters.

The Chamber fail to see why the practice which has been adopted for many years by Europe and America where forgery of stamps, Bank notes, &c., has certainly reached a higher state of development than is the case in India should be condemned as unsuitable to this country, and without a trial.

The mercantile community is perfectly willing to contribute its fair share to the revenue of the country and to pay whatever imposts in the way of duties, stamps, &c., may be necessary; but they ask, and it is not the Chamber consider much to ask, that on its side Government will collect its dues with the minimum of inconvenience to the community; and will facilitate in every way in its power the course of business. The system in regard to stamps in this country is undoubtedly somewhat dilatory, inconvenient and necessarily productive of delay in the transaction of business. This is unavoidable where an elaborate system of check and counter check is in operation; and the Chamber venture to think that a less costly and dilatory practice might be adopted without any appreciable risk to the revenues of the country.

In regard to the suggestion for sale to the mercantile community or others of certain forms for negotiable instruments and documents employed in mercantile transactions, the Chamber venture to doubt altogether the possibility of its adoption. Each Bank, &c. has its own distinctive forms, with in many cases special marks or indications therein (as a guard against forgery and fraud) known only to the initiated; and the use of those forms could not be abandoned for the trifling advantage of having

stationery provided by Government at the cost of the stamp. Each large mercantile house uses its own forms of Bills of Lading and would probably be disinclined to relinquish them for a uniform document to be provided by Government. Each Insurance Society has its own forms of Policy drawn up according to its special rules, circumstances, location, and course of business; and it would be impossible for Government to provide a uniform form which would suit all these offices, even if they should be inclined to relinquish their own. I need not multiply instances. The proposal though no doubt intended as a convenience to the public would in fact be inconvenient, and it is difficult to see in what way it could really be of advantage to the finances of the State. The object of Government, the Chamber venture to think, should be as far as possible to avoid undertaking any change which experience has not proved to be either absolutely indispensable, or which there is not fair warrant for believing experience would show to be for the general convenience.

I have, &c.

A. MACKENZIE,
Chairman.

T.

STAMPS ON POWERS OF ATTORNEY AND NOTARIAL ACTS.

Chamber of Commerce, Madras, 16th December 1878.

TO THE SECRETARY TO GOVERNMENT,
Revenue Department.

SIR,—I am requested by the Chamber to solicit re-consideration by the Board of their recent order which has been circulated by the Collector of Madras to the effect that Notarial Acts completed out of British India attached to Powers of attorney, and other documents, in authentication of their execution, are subject under Article 23 Schedule 2 of the General Stamp Act to a stamp duty of Rs. 2.

The Chamber venture to think that this order has been issued partly in oversight of the provisions of Section 14 of the

Act, and partly without sufficient acquaintance with the usual custom in regard to notarial certificature of such documents as are referred to. Section 14 provides that an instrument so framed as to come within two or more of the definitions in Section 3 shall, when the instruments to which those definitions apply are liable to different rates of duty under the Act, be charged with the highest of such rates. The intention of the Section, the Chamber venture to think, is evidently to prevent the anomaly of one document being treated as two separate instruments, and it very properly provides in the interests of Government that where a document appears to come under more than one of the classes described as liable to stamp duty, it shall pay the highest rate of stamp duty leviable in respect to either or any of such classes. It does not often happen that notarial certificates are attached as separate documents to the instrument which has to be "certified;" the more usual course is to endorse the Notarial Act upon any blank part of the instrument itself, but where this is impossible it is necessarily attached to the instrument to be "certified" exactly in the same manner as the different pages of a conveyance or similar document might be, thus forming one "notarially certified" instrument. In the case of dishonored Bills of Exchange, the Notarial Act is quite a different matter, and is separately executed as an instrument which is no way required by the ordinary procedure in regard to Bills of Exchange, but which has been rendered necessary for the special protection of certain parties interested, and in contemplation of certain ulterior proceedings for recovery at law or otherwise; and here it is quite reasonable that the Notarial Act should bear its own proper and distinctive stamp. Such is not the case with the mere notarial authentication of a power of attorney or similar document, effected solely to verify or authenticate the due execution of the document itself. The Chamber venture to submit that in regard to powers of attorney so long as the stamp leviable upon the power does not fall below the rate of duty levied upon Notarial Acts, such powers are correctly stamped under section 14 and do not require the additional stamp leviable in regard to Notarial Acts. Where the stamp on powers of attorney as in article 18 fall below Rs. 2, the

higher rate of stamp duty leviable upon Notarial Acts would come in force.

The Chamber trust that the Board will be able to reconsider its recent order on this subject.

I have, &c.,

A. MACKENZIE,

Chairman.

U.

COLLECTOR OF LICENSE TAX.

Chamber of Commerce, Madras, 29th October 1878.

TO THE ACTING CHIEF SECRETARY TO GOVERNMENT,

Ootacamund.

SIR,—In the *Fort St. George Gazette* of the 8th instant, the Chamber notice the following appointment :—

"Mr. Job Solomon having been appointed by the Municipality Collector of License Tax for the Town of Madras under Act III of 1878 (Madras), His Grace the Governor in Council is pleased to confer upon the said Job Solomon the powers described in Sections 6, 10, 11, 12, 13, 14, and 15 of the said Act III of 1878 to be exercised within the Municipal limits of the town and suburbs of Madras."

2. The powers conferred on Mr. Solomon under the sections referred to comprise the granting of licenses, the preparation of lists of persons to be licensed, the classification of persons licensed, and the hearing and disposal of petitions against this same classification. Further, by Section 15, "the Collector may, for the purpose of any proceeding under Section 14" (relating to the hearing and disposal of petitions), "exercise any of the powers conferred by the Code of Civil Procedure on a Civil Court for the trial of suits."

3. It seems to the Chamber that the powers conferred by the above Sections of Act III of 1878 impose a considerable amount of responsibility on the officer who is appointed to carry them out, and that therefore no person should be appointed to the office of Collector whose qualifications for the appointment may be open to reasonable exception. The Chamber, I need hardly say, disclaim any desire to interfere with the discretion of the Government in making appointments of any kind, but in the

present instance, where the mercantile and trading interests are so much involved, they think it only right to state, for the information of Government, that the opportunities they have had, for some years past, of forming an opinion of Mr. Solomon's character and abilities in other capacities do not warrant the supposition that he is qualified to perform the somewhat delicate and very responsible duties of a Collector of License Tax with satisfaction to the tax-paying community in Madras.

4. This Chamber would further remark that the form or style of Mr. Solomon's appointment appears to be irregular. He is stated to have "been appointed *by the Municipality Collector of License Tax*," and to implement such appointment, the Governor in Council confers upon him full powers under certain Sections of the Act.

5. I am instructed to respectfully submit that the Municipality has no power to appoint a Collector. Sections 4 and 27 of the Act are perfectly clear. "Collector" is defined to be "the chief officer in charge of the Revenue administration of a district;" and *subject to his orders* all powers and duties conferred and imposed upon him by the Act may be exercised and performed by certain specified *subordinate Revenue officials*, "or by such other officer as the Governor in Council may appoint."

6. Power is not given in any part of the Act to the Collector to *appoint a second Collector*, and in fact it seems doubtful whether, under Section 27, even the Governor in Council can do so, though he may appoint some one to perform the duties, *subject to the Collector's orders.*

7. As regards the powers of the Municipality, Section 25 simply provides that where a Municipality is to collect the tax, its President may exercise all the powers of a Collector; and it is reasonable to suppose he cannot have more extended powers. It seems to this Chamber that Mr. Job Solomon's appointment can at most be that of an *Assistant to the Collector*, and that it can only be made by the Governor in Council as provided in Section 27.

I have, &c.,

A. MACKENZIE,

Chairman.

ORDER THEREON, 8th November 1878, No. 1,802.
Recorded.

2. The Government observe that the appointment which the Chamber of Commerce question has been cancelled.

LORNE A. CAMPBELL,
Under Secy. to Govt.

V.

NEW TELEGRAPH CODE.

Chamber of Commerce, Calcutta, 6th September 1878.

TO THE SECRETARY CHAMBER OF COMMERCE,
Madras.

SIR,—The Committee of this Chamber have had their attention drawn to a movement contemplated by the Eastern Telegraph Company, the adoption of which would result in all present commercial codes being rendered useless, and merchants will have to suffer the inconvenience, annoyance, and expense of preparing new ones.

The proposal is to issue an authorised code of 50,000 words selected from the English, French, German, Latin, Italian and Hindustani languages—which it is declared by the Chairman of the Eastern Company would be sufficient for the requirements of commerce—and to apply a single rate for each word in this code, but a double charge would be made for any words other than those contained in it.

The carrying out of such a scheme would cause a total disorganization of the present system of working with figures and retranslating into words, which has been generally adopted by merchants, and in the opinion of this Chamber an endeavour should be made to resist this attempt of the Telegraph Companies by an unanimous action on the part of all mercantile communities interested in maintaining the arrangements now in operation.

The adoption of an authorized code of 50,000 words is advocated by the Chairman of the Eastern Company on the ground that "the occupation of the lines for the repetition of words wrongly transmitted is not only a loss to the Companies,

but inconvenient to the public, other telegrams being delayed while mistakes are remedied." But it can be shown beyond doubt that the transmission of messages in figures only, including entire repetition, would occupy less time than word messages require. Indeed it was the suggestion of the late Director General of Telegraphs in India that merchants here should put their codes into figures as best suiting the Telegraph Companies; and as most of them did so they have now to translate their messages into figures and retranslate them into words.

The Committee have no objection to an authorised code, but they consider that a code containing only 50,000 words is not sufficient for the requirements of commerce; that at least 100,000 words are necessary; and that the use of such authorised code should be optional with merchants. They have no doubt in time its use would become general as new codes were prepared, but in the meantime they suggest that a united representation be made to the Companies and to the Government Director-General, advocating that merchants be allowed to continue using their present codes, and that 5 figures should be taken as one word without repetition charge, as also Whitelaw's word combinations and any others based on the same principle.

The Committee would be glad to be informed if your Chamber is willing to join in a general protest against the proposed alteration, and in a request that all words or word combinations not exceeding 10 letters similar to those referred to be admitted and 5 figures be received as one word without extra charge. Should such a protest fail to bring the telegraph authorities to reason the publicity that will thereby be given to the unpopularity of the present lines will probably lead to competition, as a new deep sea cable could now be laid down at greatly less than the last one cost. Such a result would equally meet the mercantile wants, and such a line working correctly would certainly command the support of the Calcutta merchants.

An early reply will oblige, as it is advisable that this matter be fully gone into long before the next Congress meets.

I have, &c.,

H. W. I. Wood,
Secretary.

Chamber of Commerce, Madras, 31st October 1878.

To the Director General of Telegraphs,

Calcutta.

Sir,—The Chamber have had their attention directed to a scheme that has emanated from the Directors of the Eastern Telegraph Company, by which it is proposed to issue an authorised code of 50,000 words, selected from the English, French, German, Latin, Italian and Hindustani languages, and to apply a single rate for each word in this Code, but a double charge for any words other than those contained in the Code.

The Chamber are of opinion that there is no necessity for the proposed change, which would not only occasion great inconvenience in its introduction, but cause, as the Bengal Chamber of Commerce have truly remarked, "a total disorganisation of the present system of working with figures and retranslating into words which has been generally adopted by merchants." The present system which was adopted at the suggestion of the late Director General of Telegraphs in India, has worked well, and the Chamber venture to hope that it may be allowed to continue in force. They would take this opportunity of suggesting that 5 figures should be taken as one word, without repetition charge.

I have, &c.,

A. Mackenzie,

Chairman.

W.

THE DISCHARGE OF SHIPS.

Military Department, Fort St. George, 14th January 1878.

To the Chairman Chamber of Commerce,

Madras.

Sir,—The Agents in England of a vessel which arrived at Madras last year with Government stores having preferred a claim against the Government for demurrage on account of detention, caused, it is alleged, by the non-provision of sufficient boats, and the Right Honorable the Secretary of State for India having

called on this Government to state whether any special precautions can be taken in future to prevent the recurrence of such demands, it has been suggested by the Master Attendant that the Masters of sailing Vessels should be required to land not less than 30 tons per working day during the months of October, November, and December, and not less than 40 tons per working day during other months. I am desired to request that the Chamber of Commerce will favor Government with their opinion as to whether these limits would be fair both to shipowners and Government.

I have, &c.,

J. MICHAEL, Colonel,

Secretary to Government.

Chamber of Commerce, Madras, 26th January 1878.

To COLONEL J. MICHAEL, C. S. I.

Military Secretary to Government.

SIR,—With advertence to your letter of the 14th instant, I have the honor to inform you that as it is not usual to place Captains of ships under stipulations as to the rate of discharge, your inquiry was probably made under some misapprehension. The usual course is for consignees to take delivery of not less than an amount agreed upon, which amount varies under different circumstances. Probably to obviate the recurrence of such claims as the one you allude to, it would be desirable that in the Charter Party entered into by the Secretary of State, the Government should undertake to discharge the ship at a rate not greater than that which the Master Attendant has stated he is in a position to arrange for.

I have, &c.,

A. MACKENZIE,

Chairman.

X.

PORT RULES.

Madras, Marine Office, 20th September 1878.

To the Chairman Chamber of Commerce,
Madras.

Sir,—I have the honor to forward the accompanying letter from the British Consular Agent, Pondicherry, to the Chief Secretary to Government, No. 104, dated 15th August 1878, with 4 enclosures and 1 pamphlet, on the subject of the Port Regulations of Pondicherry, and as it will be seen from the endorsement thereon, that the Master Attendant is required to report, in communication with the Chamber of Commerce, whether any of the rules in force at that port can be introduced and enforced at Madras with advantage, this Department will be glad to be favored with the views of the Chamber.

I have, &c.,
T. E. Marshall,
Dpy. Master Attendant in charge
Administrative Department.

Chamber of Commerce, Madras, 29th October 1878.

To the Chief Secretary to Government,
Ootacamund.

Sir,—The Chamber have received from the Master Attendant's office a copy of the Port Regulations of Pondicherry, and observe that the Madras Government desire to be informed whether the Chamber consider any of these rules could be introduced and enforced at Madras with advantage.

The only material differences between the rules in force here, as contained in the Indian Ports Act 1875, the Port Rules passed under that Act, by the Madras Government and the instructions to Commanders laid down by the Master Attendant, and those of Pondicherry are as follows :—

Article 2 of the Pondicherry rules prescribes that the Master Attendant is to see that the regulations regarding the tariff of

boat hire are carried out; and Articles 4, 5, 8, 33 and 34, provide for compulsory assistance to ships wrecked or in distress.

In regard to Article 2 the Chamber do not think that a boat tariff in a large trading port like Madras could be rigidly adhered to. The traffic of this port is uncertain, there being sometimes a great demand for boats while at other times the boat owners may experience difficulty in finding employment. As regards cargo boats, therefore, the Chamber do not think the Master Attendant should be empowered to *compel* strict attention to the tariff. But with regard to passenger boats, it seems desirable that the present arrangements should be improved, as at present they are a fruitful source of complaint from passengers landing or embarking at Madras.

With reference to Articles 4, 5, 8, 33 and 34, the Chamber would point out that Section 17 of the Indian Ports Act provides for compulsory assistance in the case of fire; and they do not think any object would be gained by giving the Conservator of the Port of Madras power to compel assistance in times of wreck or distress from bad weather in the manner described in the Pondicherry Regulations, because, as a rule, in bad weather, all the ships are in trouble together, and each ship has enough to do to look after itself.

The Chamber take this opportunity of suggesting that should any further references of a similar character be contemplated by Government, they would prefer that the attention of the Chamber should be specially drawn to any points of difference that may exist between the rules of Madras and those with which comparisons are being made, the proposals of Government on the subject being also submitted for the information of the Chamber.

I have, &c.,

A. MACKENZIE,
Chairman.

Y.

THE LATE Mr. JOHN JONES.

Chamber of Commerce, Madras, 7th May 1878.

To Mrs. Jones, care of Major West,
Ootacamund.

Madam,—At a meeting of the Members of this Chamber on the 25th ultimo, it was determined to place the following Resolution on the records :—

"The Chamber desire to place on record an expression of their deep regret at the death of Mr. John Jones who had been connected with the Chamber for several years, and had rendered considerable service to the Chamber on many occasions especially in the capacity of Chairman. They also resolve that a copy of this Resolution, with a letter of condolence, be addressed by the Chairman on behalf of the Chamber, to the widow of the deceased gentleman."

In complying with the direction of the latter part of this Resolution, I beg on behalf of the whole body of Madras merchants and Bankers to assure you of the profound sympathy which is felt for you in your great bereavement. Mr. Jones had entitled himself to the cordial respect of the mercantile community by his straightforward and prudent conduct of business, as well as by those merits of individual character which are so well known to yourself. By his untimely death, the Chamber have been deprived of a member who always had the best interests of the Commerce of this Presidency at heart; and who possessed the wide experience which rendered his co-operation of peculiar value to us all.

I have, &c.,
A. Mackenzie,
Chairman.

My Dear Mr. Mackenzie,—Will you please convey to the Chamber of Commerce, my thanks for their very kind letter of condolence, and say how touched and proud I feel at learning the high esteem in which my dear husband was held by all who knew him. In the midst of my deep sorrow, their letter has comforted and gratified me greatly, and I feel deeply the honour done to my dear husband's memory, by the Chamber having addressed a letter to me.

Sincerely yours,
Ootacamund, 10th May. Alice B. Jones.

Z.

EXEMPTION OF COTTON GOODS FROM IMPORT DUTY.

Sea Custom House, Madras, 17th August 1878.

To the Chairman Chamber of Commerce,
Madras.

Sir,—I have the honor to request that you will be good enough to favor me, as early as possible, with the opinion of the Chamber as to the expediency of extending the exemption of Import duty sanctioned in the Resolution* of the Government of India, No. 43 (Sea Customs) dated 18th March 1878, to all Grey Cotton Piece Goods unmixed with foreign substances as size, &c. not containing Yarn finer than 30s, and to chudders made from Yarn of Nos. 20 to 24.

I have, &c.,
J. R. Melville,
Collector of Sea Customs.

Chamber of Commerce, Madras, 3rd September 1878.

To the Collector of Sea Customs,
Madras.

Sir,—I have the honor to acknowledge receipt of your letter of the 17th ultimo, requesting the opinion of the Chamber on the expediency of exempting all Grey Cotton Piece Goods unmixed with foreign substances, not containing Yarns finer than 30s and chudders made from 20s to 24s yarn, from import duty.

In reply I am desired to inform you that so far from admitting the expediency of the proposed exemption from duty, the Chamber fail to see any reason for inflicting upon the State a loss of revenue for which no compensation will be obtained. It seems to the Chamber that the present is a most unsuitable time for thinking of sacrificing any of the State's resources, under pressure from interested and imperfectly imformed Foreign manufacturers, and that it would be difficult to find a tax which is felt

* Vide Notification published at page 166 Part I of the *Fort St. George Gazette* of the 19th March 1878.

so little by the people as that upon the fabrics referred to. The repeal of all import duties might be expedient, if the country were in a position to sustain without detriment the sacrifice of revenue, but situated as the finances now are, it is more than ever expedient that financiers should leave well alone.

The Chamber would refer to the various reductions which from time to time have been made in the duty on Cotton Yarns and Goods, and would ask whether in any instance manufacturers obtained any benefit thereby. It will be found in all cases that the ultimate effect was simply to cheapen goods in India by the amount of duty surrendered, and the present complaints of Lancashire manufacturers are sufficient answer to any argument that they have profited by an increased consumption of cheaper goods.

I have, &c.,

A. MACKENZIE,
Chairman.

RULES AND REGULATIONS

OF THE

MADRAS CHAMBER OF COMMERCE.

1st. That the Madras Chamber of Commerce is formed with a view to watch over and protect the interests of Trade; to receive and collect information on all matters of Mercantile interest, bearing upon the removal of grievances and the promotion of the common good; to communicate with authorities and with individual parties thereupon; to receive references on matters of custom or usage in doubt or dispute, deciding on the same, and recording the decision made for future reference: and to form by that and other means a code of practice, whereby the transactions of business by all engaged in it may be simplified and facilitated.

2nd. That all Merchants, and other persons engaged in the general Trade of Madras, be eligible as Members.

3rd. That persons desirous of joining the Chamber shall be proposed by one Member and seconded by another. Notice of the same shall be entered in the Ballot Book, and circulated among the Members, and the election shall be made by ballot at the first general meeting of the Chamber, held after the expiry of one month from the date of the notice, a majority of two-thirds of those voting at the meeting being necessary for admission.

4th. That voting by proxy be not allowed, nor by parties whose subscriptions shall be in arrears.

5th. That the power of expulsion be reserved to the Chamber, to be decided by ballot by a majority at a General Meeting.

6th. That the executive duties of the Chamber shall be conducted by the Chairman with the assistance of the Committee, and that all matters of importance be referred for the decision of the general body of Subscribers who shall be called together as often as is necessary by the Chairman, but not less frequently than once a month.

7th. That the Chairman shall on all occasions have a casting vote in addition to his own as a Member of the Chamber.

8th. That every Member on election shall pay an entrance fee of Rupees 100.

9th. That the subscription be fixed at Rupees 160 per annum, payable quarterly in advance. Absentees in Europe to pay no subscription.

10th. That if any Member allow his subscription to the Chamber to fall into arrears for more than one quarter without sufficient reason, his name shall be expunged from the list.

11th. That the funds be paid as realised into the Treasurers' Bank, and that when exceeding one thousand Rupees they be invested in Government Paper.

12th. That the ordinary expenditure be at the discretion of the Chairman; and that extraordinary be made by him with the sanction of the Committee.

13th. That an Annual General Meeting be held on the second Monday of December, or as near thereto as convenient, at which the Treasurer's account shall be submitted, and the Chairman for the following year shall be elected; the retiring Chairman becoming Vice-Chairman. In case of the Chairman's re-election, a new Vice-Chairman shall be elected. The Vice-Chairman shall conduct the duties of Chairman during the absence of the latter.

14th. The Special General Meetings may be convened on the requisition of the Chairman, or of any three Members of the Chamber, not being Members of the same firm—notice of the subject of discussion to be given in the requisition calling the Meeting.

15th. That at the Annual General Meeting of the Chamber, a Committee of not less than seven Members, including the Chairman and Vice-Chairman, shall be elected to assist the Chairman in the disposal of the business of the Chamber. Two Members of the same firm may not be on the Committee.

16th. That a fee of 15 Rupees shall accompany all reference to the Chamber.

17th. That in event of any Member of the Chamber taking the benefit of the Act for the Relief of Insolvent Debtors, he shall thereby cease to be a Member of the Chamber, but will be eligible for re-election without the repayment of the entrance donation.

MADRAS TONNAGE SCHEDULE.

SANCTIONED BY THE CHAMBER OF COMMERCE.

Articles.	To the Ton.
Aloes, in bags ...	...20 cwt.
Do in boxes ...	...20 „
Alum	...20 „
Anniseed ...	... 8 „
Arrow-root, in cases	...50 feet.
Assafœtida, in bags	...20 cwt.
Do in boxes	...20 „
Apparel ...	...50 feet.
Bark, in bags ...	... 8 cwt.
Barilla ...	...20 „
Bees' Wax ...	...20 „
Betel-nut ...	...18 „
Books ...	...50 feet.
Borax or Tincal ...	...20 cwt.
Do in cases ...	...50 feet.
Brimstone ...	...20 cwt.
Bullion ...	At per cent.
Cake Lac, in bags	...16 cwt.
Camphor, in cases	...50 feet.
Cardamoms, in robbins	... 8 cwt.
Do in boxes	...50 feet.
Do in bags	...10 cwt.
Cassia, all sorts ...	...50 feet.
Castor Seed ...	...15 cwt.
Chillies, in bags ...	...12 „
Do in robbins	...14 „
China Root, in bags	...11 „
Do in boxes	...50 feet.
Chiretta ...	...50 „
Cigars ...	...50 „
Cloves, in bags ...	... 8 cwt.
Do in chests ...	...50 feet.
Coals ...	...20 cwt.
Cochineal ...	...50 feet.
Coffee, in bags ...	...18 cwt.
Do in robbins & casks	...16 „
Do in cases ...	...17 „
Coir Yarn & Fibre, screwed bls.	50 feet.
Do bdls. & dhls.	...10 cwt.
Coriander Seed ...	...12 „
Cotton, in bales ...	...50 feet.
Do Piece Goods	...50 „
Cowries ...	...20 cwt.
Cutch, in bags ...	...17 „

Articles.	To the Ton.
Dates, wet ...	...20 cwt.
Do dry ...	...16 „
Dholl ...	...20 „
Elephants' Teeth, in bulk	...16 „
Do in cases	...50 feet.
Fennigarick Seed	...16 cwt.
Furniture ...	...50 feet.
Garlic and Onions	...12 cwt.
Ginger, in bags or bales	...12 „
Do in cases ...	...50 feet.
Gingelly Seed ...	...17 cwt.
Gram ...	...20 „
Ground Nuts, in shell	...12 „
Do shelled	...16 „
Gums, cases, not enumerated	50 feet.
Gunny Bags ...	...50 „
Do Cloth ...	...50 „
Gunjah ...	...50 „
Hemp, in bales ...	...50 „
Hides ...	...14 cwt.
Hoofs, Horn Shavings, and Tips ...	...20 „
Horns, Cow and Buffalo	...20 „
Do Deer ...	...16 „
Indigo ...	...50 feet.
Jute, in bales ...	...50 „
Lac Dye ...	...50 „
Lard ...	...50 „
Linseed ...	...18 cwt.
Mace, in cases ...	...50 feet.
Machinery ...	...20 cwt.
Metals ...	...20 „
Myrabolams ...	...17 „
Molasses ...	...20 cwt.
Mother O'Pearl, in bags	...20 „
Do in chests	...20 „
Munjeet ...	...50 feet.
Mustard Seed ...	...18 cwt.
Niger Seed ...	...17 „
Nutmegs, in chests	...50 feet.
Nux Vomica, in bags or cas.	16 cwt.
Oats	...12 „
Oil, in cases ...	...20 „
Do in casks ...	210 imp. gals.

Articles.	To the Ton.
Olibanum ...	...18 cwt.
Paddy, in bags ...	...15 „
Pease	...20 „
Pepper, in bags ...	...16 „
Planks and Deals...	...50 feet.
Poppy Seeds ...	...15 cwt.
Putchuk ...	...10 „
Rape Seed ...	...18 „
Raw Silk, in bales	...10 „
Rattans ...	...20 „
Redwood (for Dunnage)	...20 „
Rhea, in bales ...	...50 feet.
Rice, in bags ...	...20 cwt.
Roping, in coils ...	...50 feet.
Do lines and twines, in bundles ...	...14 cwt.
Do coir, in coils .	...10 „
Rum, in casks ...	210 imp. gals.
Safflower, in bales	...50 feet.
Sago, in cases ...	...50 „
Sal Ammoniac, in bags	...15 cwt.
Do in cases	...50 feet.
Saltpetre ...	...20 cwt.
Salt	...20 „
Sapan Wood ...	...20 „
Shark's Fins ...	...16 „
Sealing Wax, in cases	...50 feet.
Seed Lac, in cases	...50 „
Seed Lac, in bags	...16 cwt.
Senna, in bales ...	...50 feet.
Sarsaparilla ...	...50 „
Shells, rough, in bags	...20 cwt.
Shell Lac, in cases	...50 feet.
Do in bags	...16 cwt.
Silk Piece Goods...	...50 feet.
Skins	...50 „
Soap, country, in cases	...50 „
Do in bags	...15 cwt.
Do in bars	...20 „
Stick Lac, in cases	...50 feet.
Do in bags	...16 cwt.
Sugar, in bags ...	...20 „
Tallow, in cases or casks	...20 „
Talc	...20 „
Tamarind, in cases or casks	..20 „
Tapioca	...50 feet.
Tea, in chests ...	...50 „
Timber	...50 „
Tobacco, in bales...	...50 „
Tortoiseshell, in chests	...50 „
Turmeric, in bags	...14 cwt.
Wheat	...20 „
Wool, in bales ...	...50 feet.
All other articles not enumerated, in bales or cases	...50 „

Rule.—The articles mentioned in the margin are to be measured before shipment, at the Press, Godown, or on the Beach, at the option of the Shipper, and the measurement is to be entered on the face of the Bill of Lading. In measuring, the Callipers are to take in the Rope, or Iron Hoop, on the one side of the Bale, and leave it out on the other. Half inches are to be given and taken alternately. Ten Bales per cent, as a maximum are to be measured, moiety to be chosen by the Shipper and moiety by the ship; and in the event of any dispute arising, the Bales are to be measured by a Surveyor to be appointed by the Chamber of Commerce. The Surveyor's decision to be final, and his Fee to be Five Rupees, one half to be borne by each party. All other Goods to be measured at Port of Discharge.

Coir, in bales, Cotton Gunjah, Hemp, Jupe, Munjeet, Senna Leaf, Wool, and Sarsaparilla.

MADRAS, 1*st January* 1875.

GENERAL RATES OF AGENCY AND COMMISSION.

As revised by the Chamber of Commerce, and recommended for general approval and adoption.

Per cent.

On the total amount of payments and receipts of an account, excepting sums on which a higher Commission has been previously charged, and sums paid for Bills of Exchange on England drawn by the Agent ... ...Half.

On purchasing or selling Bills of Exchange ...One.

On subscriptions to Government loans, purchasing, selling, transferring or exchanging Public Securities and Bank Shares ... ...Quarter.

On obtaining enfacement of Government Promissory Notes ... ...One Eighth.

On delivering up Public Securities, or lodging them in any of the Public Offices ... ...Quarter.

On negotiating or renewing a loan or Cash credit at the Bank of Madras, or elsewhere ... ...Half.

On receiving and delivering Private Commissions of Goods and Merchandise ... ...Two & a Half.

On charge of House Property and collection of Rents ... ...Five.

On letters of-Credit granted... ... ...One.

On the management of Estates for Executors or Administrators, or on becoming Security for Administrators ... ...Two & a Half.

On debts when process of Law or Arbitration is necessary. ... ... do

If recovered by such means... ... ...Five.

On Bills of Exchange, Notes, &c., dishonored ...One.

On overdue debts collected... ... ...Two & a Half.

	Per cent.
On all sales or purchases of Goods	...Five.
With the following exceptions :—	
On Houses, Lands, and Ships	...Two & a Half.
On Diamonds, Pearls, and Jewellery	do
On Treasure and Bullion	...One.
On all Goods and Merchandize withdrawn, shipped or delivered to order.	Half Commission.
On all other descriptions of property for sale, if withdrawn or otherwise disposed of by the owners.	
On Goods transferred to Auction or Commission Salesmen.	
On investing Proceeds of Sales in Goods ...	...Two & a Half.
On guaranteeing Sales, Bills, Bonds, Contracts for Goods, or other Engagements	do
On Ship's Disbursements	do.
On Ship's disbursements, when no outward Commission on Freight or passage Money is earned	...Five.
On Chartering Ships or engaging Tonnage for other Parties	...Two & a Half.
On the amount of Freight or passage Money earned by ships, by Charter or otherwise, whether the same shall pass through the Agent's hands or not	...Five.
When the commission of 2½ per cent. on the Inward Freight, paid at home or in Madras, does not in the case of steamers via the Suez Canal exceed Rs. 100, then that sum shall be charged	...
On effecting Insurance, whether on Lives or Property...	...Half.
On settling Insurance claims, losses and averages of all classes, whether on Lives or property and on recoveries of returns of Premium	...Two & a Half.

Per cent.

On negotiating Bottomry or Respondentia Bond ...Two & a Half.

On attending the delivery of Contract Goods ...Two.

On receiving Passage Money by Ships entered inwards ... ...One.

On realizing Freights ... ...Two & a Half.

On arranging and superintending the transhipment of Cargo, on the amount of Freight so re-engaged ... ...Five.

On the management of Vessels chartered elsewhere for the conveyance of Coolies or Troops, on amount of Passage Money ... ...Two & a Half.

For acting in the capacity of Trustee, on the income of the Trust Fund ... ... do

On landing and re-shipping goods from any Vessel in distress, or on landing and selling by auction damaged Goods from any such Vessel, and acting as Agent for the Master on behalf of all concerned, on the declared value of all such Goods as may be re-shipped, and on the net proceeds of all such Goods as may be publicly sold ... ...Two & a Half.

That brokerage at the rate of ½ (half) per cent. be an accepted charge on all freight ... ...

[*Additions on the 1st January* 1877.]

When the freight is payable in sterling, the commission shall be calculated on the sterling amount at the following rates for Bank Bills, viz., at the rate for 6 month's sight Bank Bills, when the freight is by sailing ships, and at the rate for 3 month's sight Bank Bills when by steamers.

On ships leaving the Port in ballast, which have been consigned inward, upon the English net registered tonnage, 6 annas per ton.

On steamers leaving the Port in ballast, which have been consigned inward, upon the English net registered tonnage, 8 annas per ton.

On ships leaving the Port in ballast, which have been consigned inwards and outwards, upon the English net registered tonnage, 12 annas per ton.

On steamers leaving the Port in ballast, which have been consigned inward and outward, upon the English net registered tonnage, Rupee 1 per ton.

When the amount on which commission is payable is stated in Rupees, the commission shall be calculated in that currency and when in sterling, at the rate provided for under the Rule which fixes the rate on procuring freight.

With respect to a steamer or sailing vessel partially discharged, which does not return to this port for cargo on her homeward voyage, the rate shall be 8 annas a ton on every ton discharged, provided the total amount exceeds Rs. 100, failing which, Rs. 100 shall be charged.

The conversion into Indian currency of sterling freight payable in Madras shall, unless otherwise stipulated, be made at the rate for Bank Bills on London payable on demand; and the rate ruling at the close of a Mail, shall be the rate applicable to such purpose during the subsequent week.

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Government of Maharashtra
on 01 February, 2020

REPORT

OF THE

PROCEEDINGS OF THE

MADRAS CHAMBER OF COMMERCE.

JANUARY TO DECEMBER

1878.

MADRAS:

PRINTED AT THE "MAIL" PRESS, BY J. [illegible]